

# NATO Vows To Maintain UN Support In Bosnia

U.S. House Votes, 318-99, To End Arms Embargo On Besieged Muslims

By William Drozdiak  
Washington Post Service

BRUSSELS — NATO defense ministers vowed Thursday to sustain the use of alliance air power to support United Nations peacekeepers in Bosnia while also stepping up preparations to rescue the entire 22,000-man UN force if the situation on the ground does not improve in the next few months.

Defense Secretary William J. Perry hailed the creation of a rapid-reaction force as "a turning point" that could enhance security for the beleaguered UN peacekeepers and salvage a humanitarian aid mission that has been paralyzed by hostage-taking and other attacks by rebel Bosnian Serbs.

[The House of Representatives voted Thursday to require President Bill Clinton to lift an arms embargo on Bosnian Muslims as it approved a bill that would cut foreign aid sharply and dismantle three foreign-policy agencies, Reuters reported from Washington, Page 6.]

[The House attached the provision to end the arms embargo by a 318-to-99 vote and then approved the overall bill by 222 to 192. The bill will have no effect, however, unless it is also approved by the Senate and survives the veto promised by Mr. Clinton.]

France, Britain and the Netherlands have pledged to send as many as 10,000 troops for the new force, which would be highly mobile and used to keep aid supply lines open. The United States has declined to contribute any troops but has offered logistical and intelligence help.

Mr. Perry and other ministers said the North Atlantic Treaty Organization was committed to doing everything possible to maintain the UN peacekeeping force in Bosnia because their departure could trigger a nightmarish human catastrophe and escalate the ethnic warfare being waged on the frontiers of the former Yugoslavia.

But a senior British official said that the latest wave of hostage-taking and other attacks from Bosnian Serbs directed against UN peacekeepers had underscored the need for "strategic consent" from all belligerents. He said that unless the attacks stopped and the new reaction force succeeded in its protecting mission, a decision to pull out the peacekeepers could be made by late August so that it could be completed before winter sets in.

"If this last chance fails, then only the safety net of withdrawal remains," said the German defense minister, Volker Rühle. "But it would be a human catastrophe and politically highly undesirable."

In making the case for the peacekeepers, Mr. Perry noted that the civilian death toll had dropped from more than 100,000 in 1992, when the UN mission was dispatched, to less than 3,000 last year. But defense analysts said the sharp reduction in casualties was largely due to the decline in fighting since the rebel Serbian soldiers had captured and held 70 percent of the country.

While emphasizing their desire to keep the UN peacekeeping mission alive, the NATO ministers spent much of the day reviewing pullout plans that could involve up to 50,000 NATO troops, half of them Americans. NATO officials said 14 countries have now pledged troops to the rescue

See POLICY, Page 6

# Dramatic Rescue Saves 'a Tough Hombre' Who Survived on Bugs and Rainwater



Colonel Berndt, right, and other members of the rescue mission talking to reporters Thursday aboard the Kearsarge.

# Pilot's Survival Kit: 'Guts and Training'

ROME — The American pilot who was rescued Thursday after hiding out in Bosnian Serbian territory for nearly a week stayed alive on bugs and rainwater and stayed free on his wits and survival training, military officers said.

"This is a tough hombre we're talking about," said NATO's southern Europe commander, Admiral Leighton Smith. "Whatever else he had, he had a lot of guts to go with it. That's what he had — guts and training."

After his rations ran out, the pilot "told us he began on bugs and rainwater," a U.S. Marine Corps doctor, Lieutenant Commander Paul Rochereto, said on the amphibious assault ship Kearsarge.

He speculated that the bugs were ants and crickets.

Dr. Rochereto spoke after examining the pilot, Captain Scott F. O'Grady, who was taken to the ship after his rescue by a snatch-force of Marines at dawn on Thursday.

"He's really happy to be alive," the doctor said of Captain O'Grady, 29, who was being treated for exposure and exhaustion. Master Sergeant Nate Goolsby, superintendent of the Life Support division at the U.S. Air Base at Ramstein, Germany, said Captain O'Grady, like all pilots, had taken a two-week survival course before his assignment and had received refresher courses each year.

"They learn basic survival techniques like how to conceal themselves, how to find food, how to navigate land by both day and night," Sergeant Goolsby said. "They learn how to catch small animals and prepare them for food, how to identify edible plants and how to find water and shelter," he said.

Also instrumental for survival was the kit of supplies that every pilot carries with him on a mission, Sergeant Goolsby said. It can include a handgun, a small amount of food, including chocolate and sugar for energy, a compass and, in some cases, a Serbo-Croatian phrasebook.

The kit also contains a small, battery-powered radio, which Captain O'Grady used to make contact with a plane from his own squadron on patrol of the United Nations "no-flight" zone over Bosnia.

It was this contact that allowed the Ma-

See HOMBRE, Page 6

# Amid Serb Fire, U.S. Marines Pluck Pilot From Bosnia

Compiled by Our Staff From Dispatches

ABOARD THE KEARSARGE — Forty U.S. Marines swooped into Serbian-held Bosnia with two helicopters Thursday and dodged hostile fire to rescue a downed American pilot who had survived for six days on rainwater, bugs and courage.

The pilot, Captain Scott F. O'Grady, sprinted to a helicopter from his forest hideout waving his pistol, and shouting, "I'm ready to get the hell out of here." Two shots hit one rescue helicopter, while at least one missile was fired at the rescuers but missed.

The captain had been missing since his F-16 was shot down June 2 by a missile from a Bosnian Serbian stronghold south-east of Bihać during a routine patrol of the United Nations "no flight" zone over Bosnia.

The downing came in the aftermath of the abductions of hundreds of UN peacekeepers by Bosnian Serbs retaliating for NATO air attacks last month on their ammunition depots outside Pale, their headquarters 14 kilometers (9 miles) east of Sarajevo. So far, 232 UN personnel have been released, and 146 remain captive, frustrating negotiators trying to halt the hostilities in the three-year war.

Admiral William Owens of the Joint Chiefs of Staff in Washington said a multinational force took part in the rescue, including two U.S. Marine CH-53 helicopters that landed on a hilltop 50 meters from where Captain O'Grady had signaled his position on a battery-powered radio.

Until then, the fate of the 29-year-old pilot had been unknown because an accompanying pilot did not see Captain O'Grady parachute. Some Bosnian Serbian officials in Pale had even claimed that they had captured the pilot.

Admiral Leighton Smith, commander of NATO forces in southern Europe, said the rescue mission began after a pilot from Captain O'Grady's squadron, flying an F-

16 over the area, heard his colleague's voice on the radio.

The 2 A.M. signal was the first time that NATO had radio contact with the pilot, Admiral Smith said.

Fifteen minutes earlier, NATO had received a Morse code message from Captain O'Grady "that told us exactly who it was," a NATO source said, speaking on condition of anonymity.

Nearly five-and-a-half hours later, from first contact to the rescue, the pilot was safe on board the amphibious assault ship Kearsarge in the Adriatic Sea.

"This is a tough hombre we're talking about," said Admiral Smith, speaking in London. "Whatever else he had, he had a lot of guts to go with it. That's what he had — guts and training."

Colonel Gary Coward, a spokesman for the United Nations in Sarajevo, described the territory Captain O'Grady was found in as "woodland hills" without a heavy concentration of Bosnian Serbian forces.

"The Bosnian Serbs are stretched with the 1,000-mile confrontation line," he said. "One would imagine there are not a whole host of units around. There may have been some reserves but that's largely speculation on my part."

Nonetheless, Colonel Coward said he was surprised that Captain O'Grady made it out alive.

"The pilot did very, very well to evade capture," he said.

The rescue was mounted just after first light by an elite Marine Corps rescue team from the Kearsarge, the flagship of a three-vessel force of 2,000 Marines in the Adriatic Sea.

They were backed up by more than 40 NATO aircraft, including radar-jamming jets.

A Marine Corps doctor aboard the Kearsarge said Captain O'Grady, although shot down from 20,000 feet, had

See RESCUE, Page 6

# EU Leader Fears War Saps Trust in Political Cohesion

By Tom Buerkle  
International Herald Tribune

BRUSSELS — In a sobering assessment of Europe's role in the former Yugoslavia, the president of the European Commission said Thursday that the bloc's failure to end the war was sapping public confidence in Europe's political effectiveness.

Asked if the experience in Bosnia has been a disaster for Europe's ambitions to become a political power on the world stage, the EU official, Jacques Santer, said, "Psychologically... certainly."

The Bosnia effect makes it all the more essential, however, that European Union leaders show a commitment to forge a serious foreign policy capability when they meet to overhaul EU institutions next year, he said.

"Europe needs to draw the political lessons," Mr. Santer said. "We need to define a common foreign and security policy."

The task will require an EU analytical center, a sort of fledgling State Department, to carry out preventive diplomacy, he said. In addition, he endorsed ending member countries' powers to veto EU

measures and switching to majority voting, a measure that Germany is pressing but which Britain has already vowed to resist.

In an hourlong interview, Mr. Santer said he would present proposals to stimulate employment at a summit meeting of European Union leaders in Cannes on June 26 and 27, but cautioned against expecting any "miracle solution."

He said governments must fight the causes of Europe's persistently high unemployment, including what he sees as excessive labor regulations, rather than "repeating the mistakes of the 1980s" and relying solely on economic growth.

Mr. Santer expressed confidence that the spending plans announced recently by the French prime minister, Alain Juppé, would not prevent France from reducing its budget deficit enough to adopt a common European currency in 1999.

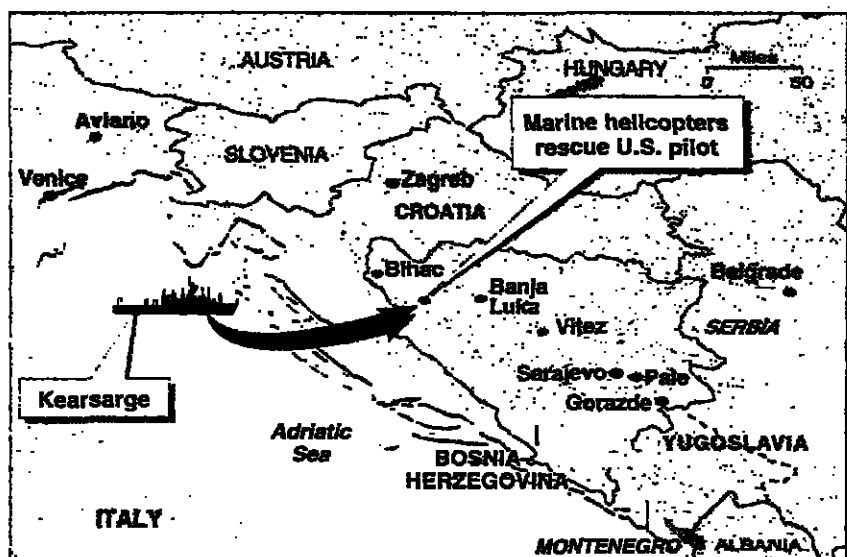
Still, he said all EU leaders must give a clear signal at Cannes of their determination to meet the low-deficit, low-inflation criteria for a single currency.

Mr. Santer also dismissed the prospect of a trans-Atlantic free-trade zone as "un-

See SANTER, Page 6



Captain O'Grady, 29, photographed in an F-16 similar to the plane he was flying June 2 when he was shot down over Bosnian Serbian territory.



Source: Associated Press

NYT

# China vs. Japan vs. U.S. — Asian Stability Suffers

By Michael Richardson  
International Herald Tribune

KUALA LUMPUR — With China threatening further retaliation against the United States over the "private" visit of Taiwan's president, Lee Teng-hui, Asian and Pacific nations say they see the issue as another sign of serious erosion in the links between Washington, Beijing and Tokyo that underpin stability in the region. Weak and divided leadership in the United States, China and Japan, combined with growing nationalism in all three countries, threaten to upset the established power balance in the Asia-Pacific region before a new security order can take its place, Asian officials say.

Such a development would undermine prospects for continued rapid economic growth in the area.

Officials and analysts say that the dispute between China and the United States over Mr. Lee's visit, the bitter U.S.-Japanese trade feud over cars and auto parts, and mutual suspicion between China and Japan over each other's growing military strength are causing severe strains.

The tensions are fanning "nationalistic sentiments" in Japan, China and America, said Han Sung Joo, a former foreign minister of South Korea who is president of the International Relations Institute at Korea University in Seoul.

Speaking at a conference on regional security here, he said there was a "high probability" that a protracted dispute between the United States and Japan would "hamper" their cooperation in regional security.

In an interview, Douglas H. Paal, president of the Asia Pacific Policy Center in Washington, said that leaders in the three countries, especially the United States, were increasingly preoccupied with domestic concerns and that this encouraged confrontation abroad.

"China saw that the Clinton administration was pushed by congressional pressure into granting the Taiwanese president a visa to the U.S.," he said. "So China has concluded that it is pressure that moves the U.S. government, not strategic interests or goals."

Mr. Han said that the weakening of ties between the three countries was occurring when "Asia is lagging far behind Europe in community-building and is subjected to big power politics to a degree that is far greater than in

See REGION, Page 6

# U.S. Envoy to Beijing Won't Wait for a Replacement

By Patrick E. Tyler  
New York Times Service

BEIJING — Deeply frustrated over the state of U.S.-China relations, the American ambassador, J. Stapleton Roy, is leaving his post next week before his replacement has been named by the Clinton administration.

Although Mr. Roy has told close associates that the timing of his departure has nothing to do with the diplomatic crisis over the visit to the United States by President Lee Teng-hui of Taiwan, Mr. Roy's return to Washington on June 17 will only add to the image of downgrading relations.

A former Democratic senator from Tennessee, Jim Sasser, is expected to be nominated to replace Mr. Roy,

but Mr. Sasser could face a lengthy confirmation process in the Republican-controlled Senate. It is not unusual for a gap of several months between ambassadors, but Mr. Roy had earlier told Westerners here that because of China's strategic importance, the Clinton administration would not allow him to depart until his replacement arrived.

Since May 22, when the Clinton administration announced that it was reversing 16 years of policy to allow a private visit by the Taiwanese leader, Mr. Roy has become a diplomatic pariah in official Beijing.

"He says no one will see him anyway, so why do we need an ambassador here?" one visitor to Mr. Roy's office paraphrased the ambassador's levity about his predicament.

One exception was a banquet the Chinese were hosts at

last week for a visiting American congressman, Representative Dennis Hastert, Republican of Illinois.

During the banquet, the Chinese government hosts received a double surprise, first, when the congressman suggested that congressional pressure had nothing to do with Mr. Clinton's decision to grant Mr. Lee a visa to enter the United States and, second, when Mr. Roy bluntly took exception to the congressman's remarks, reiterating that Mr. Clinton acted only after Congress demonstrated its political resolve in the matter with overwhelming votes in both houses.

Mr. Roy grew up in China as the son of missionaries, and like many China specialists he publicly supported, but personally opposed, the White House decision to issue a visa to the Taiwanese leader, largely because of its

See ENVOY, Page 6

## AGENDA

### U.S. Foils Sale of Nuclear-Use Metal

NEW YORK (AP) — Three men were arrested Thursday for trying to sell eight tons of zirconium, a metal used in nuclear processing, to federal agents posing as Iraqis.

It was the largest seizure ever of nuclear-related material in the United States, said Robert Van Eiten, a spokesman for U.S. Customs.

Federal agents uncovered the black market operation by posing as representatives of the Iraqi government and offering to buy the zirconium, which had been stolen from the Ukrainian military, Mr. Van Eiten said.

### PAGE TWO

Megaprojects for a New Asia

### THE AMERICAS

Page 3.

War Powers Act Retained

### ASIA

Page 4.

Few Invitations for Taiwanese

### EUROPE

Page 5.

Limits to Democracy in East

### INTERNATIONAL

Page 6.

Hong Kong Fear on Court

### Newsstand Prices

Andorra	9.00 FF	Luxembourg	6.21 FF
Arabia	11.20 FF	Morocco	13.00 FF
Australia	4.00 CFA	Qatar	6.00 CFA
Bahrain	9.00 CFA	Reunion	11.20 FF
Belgium	9.00 FF	Saudi Arabia	9.00 FF
Brazil	9.00 CFA	Senegal	9.00 CFA
Canada	3.50 CFA	Spain	2.25 PTAS
China	2.600 Lire	Tunisia	1.250 Din
Czechia	1.100 CFA	Turkey	1.100 CFA
Denmark	1.100 CFA	Ukraine	2.250 CFA
France	1.100 CFA	U.S. Mail	81.13

### Dow Jones

Down  
3.46  
4458.57

### The Dollar

Down  
1.4083  
1.5945  
84.645  
9.9515

### Trib Index

Down  
0.28%  
122.09

### Thurs Close

1.4122  
1.5835  
84.90  
4.9675

البيان الدولية



## Foreigners Vie for Deals

### Process Fraught With Back-Room Intrigue

The mission group had its own influential



**A traffic jam in Jakarta — a typical bottleneck that Asian nations are seeking to ease.**

For 18 months, the Mission group was locked in negotiations with the Indonesian authorities over the terms under which the Paton plant would operate.

"Indonesia, in our view, provides very good future prospects," said Edward Muller, the company's president.

"What I think is imperative, whatever one manages to achieve, is that any court set up in Hong Kong should be able to carry out the same role as the Privy Council and that there should be, as far as one can manage it, no rupture in the judicial arrangements here in Hong Kong," he said.

reproductive age at some point in their lives.

The ancient Chinese city of Chang'an, once the gateway to the famed Silk Road trade route, is being rebuilt, the Xinhua press agency said. The new city will cover 2.8 square kilometers (1.1 square miles) and have 15 gates, four watchtowers and 16 terraces with avenues up to 70 meters wide, making it the world's biggest replica metropolis. It is to be built in Zhengzhou, capital of central Henan Province.

Carton restrictions apply, wherever the Global Testing 9011 number is only from 1 unit, - marked at base.


Imprimé par Offprint, 73 rue de l'Évangile, 75003 Paris

✓ Available at most phones. ▲ Not available

001-800-745-1111  
012-0—area code, phone no.  
000-999

Number of the country you're in or 1-800-877-4  
available at most phones. ▲ Not available from

THE EASIEST WAY TO  
GET BACK HOME WITHOUT  
RUBY SLIPPERS.

  
Sprint  
THE WAY

516 254 1135, 1234  
JUL 29 812P11

Small screen text reads:  
c90-330 516-454 8039 # 9826

COUNTRIES	AVAILABILITY
American Samoa	AV
Antigua (dedicated phone)	25
Antigua (pay phone)	14
Argentina	00
Armenia	9-9
Australia (Dyna) +	1-1
Australia (phone) +	1-1
Austria	02
Bahamas	01
Bahrain	05
Barbados 3	1-1
Belgium +	08
Bermuda 4	1-1
Bolivia	08
Brazil	00
British Virgin Islands 3	1-1
Bulgaria +	1-1
Canada	1-0
Cayman Islands	1-0
Chile	00
China 3+	99
Colombia	99
Costa Rica +	09

Carriers participating apply additional charges for long distance calls.

© 1994 by Telecommunications International, Inc.

[illegible]



## THE AMERICAS

## House Defeats Bid to Repeal War Powers Act

By Katharine Q. Seelye  
New York Times Service

WASHINGTON — Despite a last-minute appeal from Newt Gingrich, the House has defeated an attempt to repeal the 1973 War Powers Act, leaving intact the requirement that a president must bring home troops within 60 days of deployment unless Congress authorizes their continued presence.

In one of its most significant foreign policy votes in two decades, the House voted, 217 to 201, late Wednesday not to repeal the law. Mr. Gingrich, the House speaker, and Representative Henry J. Hyde, Republican of Illinois, who sponsored the repeal, said that they had failed to educate enough Republicans, but they also said the current conflict in Bosnia had scared Republicans away from giving President Bill Clinton a free hand overseas.

"A number of members felt that, on the edge of Bosnia, they didn't want a year from now to have done something that strengthened the president's hand," Mr. Gingrich said after the vote.

"They didn't want a vote to come back to haunt us."

But others argued that the bill was defeated on its merits. "Every president finds Congress inconvenient," said Representative Toby Roth, Republican of Wisconsin, who voted against repeal. "But we're a democracy, not a monarchy."

Many senior Republicans were among the 44 who joined 172 Democrats and 1 Independent in voting against the measure. Favoring it were 178 Republicans and 23 Democrats.

The War Powers Act, enacted over President Richard Nixon's veto after the United States invaded Cambodia during the Vietnam War, requires that the president remove U.S. forces from combat, or from situations in which combat may be imminent, within 60 days of their deployment, unless Congress subsequently authorizes their presence.

Members of both Congress and the executive branch have long believed the law to be unworkable and unconstitutional. But the Republican leader-

ship was worried, especially as the fighting in the Balkans has increased, that the freshman Republicans were not supporting the effort to repeal the law because they could not fathom ceding power to a Democratic president, particularly one whom many in Congress view as inept in foreign affairs.

In a dramatic last-minute appeal, senior members of both parties were given a chance to persuade members on the floor, with Mr. Gingrich exhorting them to "allow the commander in chief to be the commander in chief."

"As chief spokesman in the House Republican Party," Mr. Gingrich declared to a chamber packed with Republicans but short on Democrats, "I want to strengthen the current Democratic president because he's the president of the United States, and the president of the United States on a bipartisan basis deserves to be strengthened in for-

eign affairs and strengthened in national security. He does not deserve to be undermined and cluttered and weakened."

Mr. Gingrich said after the vote that some members told him they switched their votes and went against the repeal once Mr. Gingrich invoked Mr. Clinton's name.

Mr. Gingrich himself was perturbed that Mr. Clinton never demonstrated his support. Three former presidents — Jimmy Carter, Gerald Ford and George Bush — sent Mr. Hyde letters of support.

"The current president of the United States was away without leadership, he was totally AWOL on this issue, and it is frankly pathetic," Mr. Gingrich told reporters just moments after making his appeal on the House floor.

Administration officials had indicated that Mr. Clinton was afraid of appearing to be war-

mongering during a delicate period in Bosnia.

Mr. Clinton was also in a bind because the repeal is part of a larger, sweeping foreign aid bill that he has vowed to veto.

But Mr. Clinton has declared the provisions of the aid bill the most isolationist proposals to come before the Congress in the last 50 years and a frontal assault on presidential authority. So it would be hard for him to advocate a measure such as repeal of the War Powers Act in a bill that he planned to veto.

Opponents of the repeal framed the debate as one between ceding power to the president versus maintaining Congress's role as an equal branch of government.

Representative Lee H. Hamilton of Indiana, the ranking Democrat on the House International Relations Committee, implored members: "Don't cede away this power! Work with us to improve it!"

Repealing the War Powers Act, he said, "sends a signal that we abdicate our power and give it to the president carte blanche."

But Mr. Gingrich and Mr. Hyde in the end blamed their defeat on poor timing in which the effort coincided with the latest crisis in Bosnia and on failing to educate members.

"A lot of our members felt we would be strengthening Clinton's hand, and they didn't want to go home and explain it," Mr. Hyde said after the vote. "There is a fear that the president is going to commit troops."

He, too, complained that Mr. Clinton offered no help in bolstering support for the bill, and said he would not offer the measure again until he could be assured of more Democratic support.

"I'm not interested in running into a brick wall again," he said.



Members of the Massachusetts Senior Action Council ripping up copies of the "Contract With America" to demonstrate their opinion of scaled-back Medicare.

## POLITICAL NOTES

## Arkansas Governor Faces Fraud Charges Over Loan

WASHINGTON — Governor Jim Guy Tucker of Arkansas became the most prominent figure indicted in the Whitewater investigation when a federal grand jury indicted him on charges of making false statements to obtain a federally backed loan and of conspiring to defraud the Internal Revenue Service.

The indictment, on Wednesday, says that Mr. Tucker, a Democrat and governor since 1992, tried to hide profits from a multimillion-dollar cable television deal in 1987.

The indictment was sought by Kenneth W. Starr, the Whitewater independent counsel, but does not involve President Bill Clinton or his former business partner, James McDougal.

The three-count indictment centers on Mr. Tucker's purchase and sale of interests in the cable-television business, which made him millions of dollars as a businessman and lawyer. According to the charges, he and a business associate, William Mark Sr., fraudulently obtained \$300,000 in 1987 as part of an effort to buy cable interests.

In a separate case, a business partner of Mr. Tucker in an Arkansas land deal pleaded guilty on Thursday to a misdemeanor charge of conspiracy to misappropriate a \$65,000 loan. Stephen A. Smith, executive assistant to Mr. Clinton in his first term as governor, admitted to acquiring the loan on fraudulent pretenses and using it to pay off a larger loan that he, his father, Mr. Tucker and Mr. McDougal took out to finance the Kings River Land Co. development. (NYT, AP)

## Prayer Amendment Slated

WASHINGTON — Opening discussions on one of the most contentious issues that Congress will face, a House subcommittee began to lay the legislative groundwork Thursday for a constitutional amendment on school prayer.

The meeting of the Judiciary Committee's subcommittee on the constitution cracked with angry exchanges between Republicans and Democrats and between committee members and witnesses.

"The decision of whether to have a prayer at

some kind of school activity should properly be made by the people that are involved in that activity, not by a federal judge, not by an ACLU attorney," said Representative Ernest J. Istook Jr., Republican of Oklahoma, the leadoff witness. "That is a community decision not a federal decision."

"It's also the next civil war," shot back Representative Jose E. Serrano, a Democrat from New York, who said that his South Bronx district included 125 ethnic groups. He pressed Mr. Istook to explain how he would craft a constitutional amendment on school prayer that would protect the rights of followers of minority religions or nonbelievers. (NYT)

## Welfare Option Is Offered

WASHINGTON — The Senate Democratic leader, Thomas A. Daschle of South Dakota, on Thursday outlined an alternative to Republican plans to redesign the nation's main welfare program for poor people, and the Clinton administration endorsed his approach.

Mr. Daschle said his proposal would abolish the main cash assistance program, Aid to Families With Dependent Children, and replace it with guaranteed payments to low-income families for a maximum of five years.

Republicans would eliminate a long-standing provision of federal law that guarantees cash assistance for anyone who meets the eligibility criteria, regardless of the total cost. By contrast, Mr. Daschle said he would preserve welfare as "a conditional entitlement of limited duration." He would also require able-bodied welfare recipients to sign contracts promising to work in return for their benefits.

Republicans control the Senate, so there is virtually no chance that Mr. Daschle's bill will pass. But Democrats said they would break off pieces of the bill and offer them as amendments to the Republican measure, hoping they might be accepted as part of a centrist compromise. (NYT)

## Quote / Unquote

President Clinton, following through on his pledge to veto a \$16.5 billion spending cuts package: "I cannot in good conscience sign a bill that cuts education to save pet congressional projects. That is old politics. It is wrong." (WP)

## Away From Politics

● One of the most powerful Russian crime leaders in the United States and five of his associates have been arrested for alleged conspiracy to commit extortion, the FBI said. The agency said in a statement that Vyacheslav Kirillovich Ivanov, who was released in 1991 after 10 years in a Russian jail, was arrested in New York. (Reuters)

● A total of \$29 million was awarded to the families of four victims and nine surviving passengers of the 1989 United Airlines crash at Sioux City, Iowa, including the off-duty flight instructor who brought the crippled DC-10 into a crash landing. Individual

awards ranged from \$300,000 to \$4 million, according to the law firm that negotiated the settlements. (Reuters)

● One of Colombia's most powerful drug lords has been charged with importing tons of cocaine into New York and sending millions of dollars back home through an intricate money-laundering operation, according to a federal indictment unsealed in Brooklyn. Law enforcement officials said the fugitive, José Santacruz Londoño, is one of the top three leaders of the Cali drug cartel. (NYT)

● A train slammed into a pickup truck at a crossing in eastern Oregon on Thursday, killing seven farmworkers in the truck, officials said. (Reuters)

## Brazil Acquires Technology With Military Potential

WASHINGTON — Administration officials say Russia has provided Brazil with carbon fiber technology that could have military applications.

The deal appears to violate Russia's obligations under the International Missile Technology Control Regime, which forbids trade in such weapons materials, said the officials, who spoke Wednesday night on condition of anonymity.

The administration has begun extensive discussions with Brazil on its plans for using the technology, the officials said.

Brazil has said it needs the technology, which is used to build lightweight casings for rocket motors, as part of its civilian space program. But arms proliferation experts have expressed fears that because such rockets also could carry warheads, Brazil's possession of the technology could set off an arms race.

## Philip Morris Secretly Studied Nicotine's Effects

By Philip J. Hilts  
and Glenn Collins  
New York Times Service

NEW YORK — In 15 years of previously undisclosed research, the world's largest tobacco company studied nicotine and found that it affected the body, brain and behavior of smokers.

That work is at odds with arguments by the company, Philip Morris, that nicotine should not be regulated under laws applying to drugs that affect the body.

About 2,000 pages of documents obtained by The New York Times show that the company's researchers used laboratory methods that are customarily employed in assessing drugs to study the effects of nicotine on smokers, and wrote about what they described as the "pharmacologic" effects of nicotine.

Although the company has asserted that it does not manipulate the levels of nicotine in its products, the documents also show that Philip Morris studied different levels of nicotine in cigarettes to find what was pleasing to smokers.

Charles R. Wall, a Philip Morris lawyer, said Wednesday that he was familiar with the

documents, acknowledging they showed that the company carried out extensive research on nicotine over many years and manipulated nicotine levels in test cigarettes. But he said the research was never used in creating products for the market.

But critics of tobacco companies say the studies described in the documents show that Philip Morris understood more completely than it has publicly acknowledged the effects of its products on smokers and failed to disclose what it knew to customers or regulators.

The documents are coming to light as the Food and Drug Administration investigates whether nicotine should be regulated as a drug. That would allow the government to restrict the way cigarettes are made and sold. Federal law states that a substance must be regulated as a drug if the manufacturer intentionally uses it to "affect the structure or function of the body" of consumers.

The Philip Morris research on nicotine comes mostly from the company's research center in Richmond, Virginia, and is dated from 1966 to 1981. The documents were made available on the condition that the source not be identified other than as a person involved in "anti-smoking work."

Among other things, the documents show the following:

● College students were the subjects for much of Philip Morris's research for more than 15 years, and one study, based on a questionnaire about smoking habits in an Iowa town, included teen-agers as young as 14.

Opponents have contended that the tobacco companies have long been interested in selling their products to younger people because smoking habits and brand loyalties are formed early. Mr. Wall, the

Philip Morris spokesman, said the company did not aim its products at minors.

● The Philip Morris files contained information on the federal government, anti-tobacco groups and tobacco researchers, even some whose work the tobacco companies had paid for.

Dr. Victor DeNoble, who was a research scientist in Philip Morris's Richmond laboratories from 1980 to 1984 and is familiar with the documents, said the most crucial finding in the research was this:

"The company began to real-

ize that they could reduce the tar, but increase the nicotine, and still have the cigarette be acceptable to the smoker. After all their work, they realized that nicotine was not just calming or stimulating, but it was having its effect centrally, in the brain, and that people were smoking for brain effects" — a mild high that induces craving.

Nicotine affects the brain, body and behavior, including changing heart rate, intestinal action, endocrine functions, brain waves and general arousal, the research found.

**THE ST. JAMES'S CLUB**

When in London...

7-8 Park Place, St James, London SW1A 1LP  
Tel (44) 171 629 7688 Fax (44) 171 491 0987  
US Toll Free 1 800 877 0447

Elegance is always discreet

**INTERNATIONAL Herald Tribune**

THE WORLD'S DAILY NEWSPAPER

If you would like to receive further information on any of the Belgium advertisers which appeared on Tuesday 30 May, 1995, in our Sponsored section: International Business Education, simply complete this coupon and send it to:

**DOROTHEA SALVESEN**  
International Herald Tribune  
57, J.B. Colyans  
1080 Brussels - Belgium  
Fax: (+32-2) 346-0353

1. Boston University ☐

2. European University ☐

3. Solway Business School ☐

4. The Paqua School of Business, Duke University ☐

5. United Business Institutes ☐

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ Postcode: \_\_\_\_\_

Country: \_\_\_\_\_

Tel.: \_\_\_\_\_ Fax: \_\_\_\_\_

**Publications**

Relocating abroad? Here's help:

**A Guide to Living Abroad**

- United Kingdom
- Benelux countries
- West Europe
- Central Europe
- Gulf Region
- Asia Region
- Japan
- Mexico
- South America
- USA - English & Japanese

**Living Abroad**

A Practical Reference for Living in the United Kingdom

The most current and comprehensive publication specifically for the international executive and family living outside their home country with valuable information on culture, housing, relocation, schools, health care, insurance, taxes, banking, investing, business etiquette, travel and much more!

To order, send a U.S. bank cheque for US\$30.00 (includes shipping), or charge your American Express® card to: Living Abroad Publishing Inc.

32 Nassau Street, Princeton NJ 08542 U.S.A.  
Telephone: (1) (609) 924-9302 • Fax: (1) (609) 924-7844  
Please specify edition. • Allow two weeks for delivery.







## EUROPE

## Even for Armenia, Democracy Has Some Limits

By Fred Hiatt  
Washington Post Service

YEREVAN, Armenia — For Bagrat Sadoyan, the promise of post-Soviet democracy turned sour in the early morning darkness of Dec. 29.

Armenian police summoned the newsmen to the office of his wire service here in the Armenian capital, grabbed some documents and trampled the rest underfoot, confiscated his computers and took Mr. Sadoyan off to jail — all without court order or search warrant.

For Mr. Sadoyan and his 50 employees, out of jail but still jobless five months later, the reason was clear even without official explanation: Their wire service, Hailour, was affiliated with an opposition party that the president had just suspended.

When the Soviet Union collapsed four-and-a-half years ago, 15 new or reborn countries burst onto the world stage, and all proclaimed themselves democracies. Freed from Communist oppression and Moscow's heavy hand, they promised free elections, respect for human rights and freedom of speech and belief.

Today, the picture is quite different. Six republics are heavily authoritarian

or ruled by strongmen who took power in coups.

Another six, including Russia and Ukraine, seem to hover between democracy and a yearning for a stronger hand. Only the three Baltic republics appear to be moving steadily toward the promised rule of law, although even there, major obstacles remain.

"We are all sick, sick with the Communist bacillus," said Sharmel Shakhinian, an opposition legislator in Armenia. "We were raised into communism, and it's very hard for us to imagine a new way to live."

Considering their economic problems, long-repressed ethnic hatreds and sheer inexperience, many of the new nations have done well to hang on even in part to democratic norms, analysts say.

Still, many republics have moved far from the initial vision of pluralism and rule of law. In Central Asia, the former Communist Party rulers of Uzbekistan and Turkmenistan have transformed themselves into unchallenged potentates.

In Kazakhstan, President Nursultan A. Nazarbayev, who enjoys a reputation in the West as a moderate democrat, dissolved his Parliament this year, began ruling by decree and staged a

referendum allowing him to remain in power into the next millennium.

Even tiny Kyrgyzstan, whose physicist-president, Askar Akayev, early became the darling of Western democracies, has retreated from its initial ambitions.

Perhaps nowhere is the apparent backsliding more troubling and complex than here in Armenia.

As Armenia's neighbors, Azerbaijan and Georgia, saw their elected rulers deposed in violent coups — replacing them in both cases with former Communist strongmen — Armenia's elected president, Levon A. Ter-Petrosian, a former dissident, continued to govern.

Armenia developed warm relations with the United States, which has a community of nearly 1 million Armenian-Americans, and became the third-largest recipient of U.S. aid, per capita, in the world.

But in December, Mr. Ter-Petrosian announced he was suspending one of Armenia's leading opposition parties. That night, the police also shut more than a dozen newspapers, wire services like Mr. Sadoyan's and magazines affiliated with the party, the Armenian Revolutionary Federation (known in Armenian as Dashnak).

Mr. Ter-Petrosian accused the party of sheltering a terrorist organization that engaged in political murder and narcotics trafficking, and about two dozen people were jailed. They remain in prison, and there have been no trials. The party's suspension was for six months, just long enough to prevent its participation in July 5 parliamentary elections.

Last month, one of the prisoners died in jail after his lawyer's requests for medical care were ignored. Rejecting parliamentary requests for an independent inquiry, the president instead issued a blistering attack on the suspended party.

"Taking full responsibility, I announce today that the Armenian Revolutionary Federation committed murders," Mr. Ter-Petrosian said, naming people he said were victims. The party is a "terrorist, fascist organization," he added.

To Vazgen Manoukian, the president's former comrade and prime minister, such comments bespeak a sadening slide toward authoritarianism. If there are criminals within the Dashnak party, he said, the president should seek their prosecution, but without banning an entire party. "You can't say we are already a

totalitarian state, but you also can no longer say that this government is leading toward democracy," Mr. Manoukian said.

Mr. Ter-Petrosian, who declined to be interviewed for this article, said in his speech that Mr. Manoukian and other former political allies who have turned against him are suffering from "the most severe case of moral decay."

Defenders of the president say Armenia has certainly been subjected to stresses that could shake a young democracy since voting for independence in 1991. A conflict with neighboring Azerbaijan has kept the republic, with its population of 3.6 million, on a war footing.

And an energy blockade by Azerbaijan and other neighbors impoverished Armenia and forced hundreds of thousands to leave the country in search of work, hurting Mr. Ter-Petrosian's popularity.

"Every state has had periods when, for the defense of the state, certain severe measures were taken against those who threaten the foundations of that state," said a presidential loyalist, Ara Sahakian, who is the deputy parliamentary speaker. "We have a responsibility, before our children and all who come after us, not to lose this statehood."



COFFEE BREAK — Mayor Pierre Mauroy of Lille, a former French prime minister, and Martine Aubry, a former labor minister, took time out Thursday at a café during campaigning for municipal elections Sunday.

## For Romania Press, It's a Difficult Birth

Officialdom Throws Up Obstacles

By Jane Perlez  
New York Times Service

BUCHAREST — On the top floor of a Communist-era apartment block, Nevelai Munteanu dons headphones and reads himself before the microphone of a jerry-built high-tech radio studio for his show, "News for the Trash Can."

His breakfast-time harp is delivered in a crackling style: How is President Ion Iliescu, a foe of the deposed Romanian monarchy, going to treat the visiting Duchess of York? Why is his rendition of the Romanian flute so weak compared with Bill Clinton's lousy sax?

Mr. Munteanu, a reporter for Radio Free Europe whom Romanians used to tune into secretly, is back home poking fun at the government. His presence shows that freedom of the press has made a start in a country where such an idea would have been laughed at six years ago.

But Mr. Munteanu acknowledges that it still has a long way to go.

"There is freedom of the press and opinion; it's the most important acquisition of the revolution," said Mr. Munteanu, 53.

"But our greatest problem is the average Romanian does not understand this, does not understand the issues and still lives in terrible misery. There's no such thing as a civil society here. But God himself needed seven days to create the world."

Since the overthrow and execution of Nicolae Ceausescu in 1989, the coalition government of former Communists and nationalists manipulates the levers of the mass media in ways learned under one of communism's most successful propaganda machines.

The government controls the only nationwide television channel and has taken recent steps to prevent competition. At 8 every night, about 80 percent of the television audience watches the government's stodgy newscast dominated by Mr. Iliescu and his aides.

The 14 newspapers that Mr. Munteanu tucks under his arm on the way to work give a deceptive impression. The papers, many of them filled with sex

and fantasy that pass as news, have plunged in circulation, in part because of the government's control of newspaper production and distribution.

Private FM radio stations like Mr. Munteanu's reach only small audiences. Private television stations have opened in Bucharest and in the countryside but are restricted by regulation to local penetration.

Similar problems trouble television and the press in the region. Even in Hungary and Poland, the governments, composed of former Communists, remain uneasy with press freedom. But in Romania old habits seem harder to shed.

In the heady days of 1990, opposition newspapers opened. Romania Libra, an avowedly opposition newspaper, sold 1.5 million copies a day at its peak in 1992. But its circulation has dropped to 140,000 because of the government's control of newspaper production, according to Petre Bacanu, editor in chief.

Only one newspaper plant exists in Romania, at an antiquated site 200 kilometers (125 miles) northeast of Bucharest.

To make sure that he gets his ration, Mr. Bacanu says, he sends out a car to follow the newspaper truck along the route to Bucharest to ensure that the driver does not stop and get drunk or that if the truck breaks down it is repaired.

"If we didn't do that, the newspaper wouldn't arrive," he said.

With a national election scheduled next year and widespread irritation among Romanians at their dismal standard of living, the Iliescu government is determined to maintain its television monopoly.

Thus, the governing coalition postponed indefinitely a tender it opened last year for a national commercial television station. It had received bids from three private Bucharest channels.

The government has also blocked the establishment of a 13-member board intended to guarantee the independence of the national television station, a move that was supposed to satisfy fairness criteria established by the Council of Europe.

## BRIEFLY EUROPE

## Latin American Priority For Madrid at EU Helm

MADRID — Spain will push for improved ties with Latin America and southern Mediterranean countries during its European Union presidency, including an economic accord with Cuba, Foreign Minister Javier Solana said Thursday.

Mr. Solana said Spain would also seek to clarify Phase Three steps to economic and monetary union and achieving a single currency. A study presented to the seminar indicated that just 9 of the 15 EC members were likely to meet the criteria for monetary union by 1999.

He defined the main priorities of the Spanish presidency, as economic growth and employment; future members from central and eastern Europe; ties with the United States, Latin America and Mediterranean countries, and European security and defense.

(Reuters)

## Yugoslav Aid Pilfered

PARIS — Between 20 and 30 percent of European Union aid to the former Yugoslavia goes missing before it reaches those in need, the European commissioner for such matters said here Thursday.

Emma Bonino, whose portfolio includes humanitarian aid, said pilfering and black-mail requiring bribes by convoy leaders along the way accounted for most of the losses.

(AFP)

## Turkey Fined Over Rights

STRASBOURG — The European Court of Human Rights, delivering its first rulings in complaints against Turkey, ordered Ankara on Thursday to pay damages and legal costs to people imprisoned for unreasonable lengths of time.

The court ruled that two opposition leaders — Nabi Yagci, general secretary of the Turkish Workers' Party, and Nihat

Sargin, secretary-general of the Turkish Communist Party — held for 2½ years on charges related to their political views before being acquitted, should be paid 30,000 francs (\$6,000) each.

In a second case, the court ordered damages of 30,000 francs to Sadi Mansur, an Iranian convicted of drug-trafficking who spent 9½ years in jail during trial proceedings. The court's authority was recognized by Turkey in 1990.

(Reuters)

## Lisbon Curbs Legislators

LISBON — Portuguese legislators voted early Thursday to clean up political life by passing bills to prevent conflicts of interest and discourage politicians from taking jobs outside Parliament.

Legislators will have to list what they consider to be potential conflicts of interest between their jobs in Parliament and outside activities in a "Register of Interests." A new all-party Ethics Commission will supervise their conduct.

The bills, which must be approved by President Mario Soares before becoming law, increase the length of service by legislators before they can claim pensions to 12 years from eight years. They also will only be allowed to claim pensions after age 55.

(Reuters)

## Major Again Assailed

LONDON — Prime Minister John Major faced a new dispute over Europe on Thursday that stems from a report by an influential study group saying that he is wrong to oppose plans for a single European currency. Mr. Major himself kept silent Thursday.

The group, led by the former Bank of England governor Lord Kingsdown, said Mr. Major's stated intention to oppose steps toward closer European integration at the Inter-Governmental Conference in 1996 would just leave Britain even more isolated.

(Reuters)

## Oil Dumping Protested

COPENHAGEN — Protesters reminded nine European environment ministers of pollution threats in the North Sea at the start of a conference Thursday in western Denmark.

Svend Auken, the Danish environment minister, said the Shell company's Bret Spar oil storage, which is fitted with explosives in preparation for its dumping off Scotland, "is going to be a hot issue here."

Greenpeace, whose members have been occupying the Bret Spar in protest, erected a steel replica of the oil platform outside the congress center to symbolize the North Sea governments' attitudes about using the Atlantic Ocean "as a toilet for their industrial waste."

(AP)

## Calendar

European Union events scheduled for Friday, June 9.

BRUSSELS: Jacques Santer, president of the European Commission, is to hold a press conference on next week's G-7 summit meeting in Halifax.

MADRID: The commissioner in charge of fisheries, Emma Bonino, is to discuss over the fishing dispute between Spain and Morocco with Spanish officials.

LONDON: The commissioner in charge of external trade and relations with industrialized countries, Sir Leon Brittan, is to meet with Hong Kong's finance secretary, Donald Tsang.

DUBLIN: The commissioner in charge of justice, immigration and fraud control, Anita Gradin, is to meet with Justice Minister Nora Owens and Finance Minister Ruairi Quinn of Ireland.

Sources: Agence Europe, AFP.

## TO OUR READERS IN FRANCE

It's never been easier to subscribe and save with our new toll free service.

Just call us today at  
05 437 437.

**ECONOMISTE**

LE NOUVEL ECONOMISTE

**Mille idées**  
pour le prochain millénaire

1975-1995: "Le Nouvel Economiste" a vingt ans

**SPECIAL N°1000**

Le Nouvel Economiste a vingt ans  
N° 1000

CHEZ TOUS LES MARCHANDS DE JOURNAUX  
A PARTIR DE VENDREDI 9 JUIN.

**FLY JAPAN AIRLINES AND SOMETHING UNUSUAL WILL HAPPEN. YOU'LL ENJOY AIRLINE FOOD.**



## INTERNATIONAL

## House Vote Would Cut U.S. Aid Overseas As Events Swirl, Bosnians Despair

By John Pomfret  
Washington Post Service

**SARAJEVO, Bosnia-Herzegovina** — Word that Captain Scott F. O'Grady of the U.S. Air Force survived on bugs and rainwater for several days in the heart of Bosnian Serbian territory brought a sad smile to the lips of Serb soldiers.

"I guess he knows what it's like to be a Muslim in Bosnia then," said the 36-year-old, who suffered the same fate for more than two months in a Bosnian Serbian concentration camp in 1992. "I welcome him to our club."

While the U.S. government celebrated the gutsy rescue of the air force pilot as old-fashioned American heroism, people in Sarajevo looked at the first foray of U.S. ground troops onto Bosnian soil in a different light.

Whereas once they hoped the U.S. government would help deliver them from their fate by facilitating the delivery of weapons to defend themselves against the Serbs, now many people said the American action to save the pilot was typical of the West's response to their country.

"It's like Bosnia is a big stage but the Bosnian people have disappeared," said Danka Berberovic, a 63-year-old retired teacher who spent most of the day Thursday lining up for water at a pump periodically targeted by a Bosnian Serbian sniper.

"Of course, I am overjoyed that he escaped captivity because I know what those people can do," said the woman, who lost a son in fighting during the war. "Still, how can you celebrate so much when hundreds of thousands of people remain locked in a cage."

Captain O'Grady's rescue was the latest in a series of events that have reinforced the impression here that the people of Bosnia have become bystanders in their own country.

Over the last two months, conditions in Sarajevo and other besieged Muslim enclaves throughout this country have deteriorated precipitously. Today there is almost no food, no water, no electricity or natural gas coming into the city because of a renewed blockade by the Bosnian Serbs.

But the widespread debate in Western capitals about the future of the United Nations' mission seems to many here more concerned with avoiding humiliation at the hands of the Serbs than improving the lives of the people.

## RESCUE: Marines Pick Up Pilot

Continued from Page 1

sustained only a slight burn on his neck, apparently when he ejected.

"He's real happy to be aboard a U.S. ship and I think he's doing real well," said the doctor, Lieutenant Commander Paul Rochereto.

He said Captain O'Grady had survived on insects and rainwater after supplies from his survival kit ran out.

The Marine colonel who led the rescue team, Martin Berndt, told reporters:

"To see him running through the brush covered in sweat and water with his pistol in his hand making his way to the aircraft is not a scene that I'll soon forget."

Admiral Smith quoted Colonel Berndt as saying he saw a surface-to-air missile as the rescue team took off with Captain O'Grady.

Neither aircraft was hit, and a Marine gunner replied from

"We're like a stage where you can experiment with your searching and rescuing, your no-fly zone, your new world order," said Sanela Husenovic, 22. "As long as you keep everything in this big Balkans theater, things will be O.K."

Mrs. Husenovic spent much of the afternoon tending spring onions and lettuce on a small plot of dirt next to a sign reading: "Look Out! Sniper."

She divulged that a Serbian gunman across Sarajevo's ravine occasionally "irrigates" her field with his bullets, sometimes when she is tilling her plot.

"I keep right on working," she said. "I've got a family to feed."

Mrs. Husenovic said the plot's meager

**'It's like Bosnia is a big stage but the Bosnian people have disappeared.'**

Danka Berberovic, a retired teacher

harvest was more critical to her family than ever before. Serbian forces have compelled the United Nations to close Sarajevo's airport to air flights for the past two months — the longest break in the world's longest airlift. Serbian gunmen have also shot the roads to UN aid convoys that would have brought food to the city.

Mrs. Husenovic's family received its last UN aid parcel three weeks ago — less than a pound of macaroni, a small jug of cooking oil and some green beans. Now they have run out.

As such, her family, like other Sarajevans, is digging into whatever stocks it amassed when times were a little better and one road was open to the outside world.

"We now have virtually empty warehouses and hardly any food to distribute," Mark Curtis, the head of the Sarajevo office of the UN High Commissioner for Refugees, reported Thursday.

The situation has become so desperate that for the past five days, Mr. Curtis has ordered UN aid trucks to undertake a stealth mission, sneaking 250 tons of flour from Sarajevo's airport into the city via a Muslim suburb that is peppered daily by Serbian sniper fire.

On Wednesday morning, five trucks rolled into the city before dawn carrying 50

tons of milk powder for Unicef's baby program.

While there has been talk in Sarajevo that the UN forces here would secure a road connecting the city to the outside world over Mount Igman to the west of the capital, hopes are now fading that such bold action could be expected from a mission that has avoided confrontation with the Serbs since it arrived in Bosnia in May 1992.

## UN Moves Artillery Toward Capital

The United Nations peacekeeping force in Bosnia moved heavy artillery within range of Sarajevo on Thursday for the first time, apparently signaling a readiness to respond to aggression with considerable force, Roger Cohen of The New York Times reported from Sarajevo.

The French Army dropped the artillery reinforcements by helicopter onto Mount Igman, where the one government-controlled road out of Sarajevo has come under persistent Serbian fire.

The reinforcements consisted of a 60-man platoon and six heavy mortars with a range of about 7 kilometers (4 miles).

The 120mm mortars were flown from the French aircraft carrier Foch in the Adriatic. French UN officials said a shell was fired at the drop area on Mount Igman during the operation but caused no damage or casualties. It was unclear where it had been fired from.

In Paris, General Raymond Gorman, the deputy chief of staff of the French armed forces, said the mortars would give French peacekeepers at a UN base on the mountain "the capacity to defend themselves."

The narrow and treacherous road over Mount Igman has assumed considerable importance for the United Nations over the past two weeks because the Serbs have blocked all the roads normally used to resupply the capital.

Lieutenant General Rupert Smith, the British commander of UN forces here, has drafted a plan to secure the Mount Igman road through the use of force if necessary.

But UN officials in Zagreb, Croatia, and in New York are reluctant to back a plan that would almost certainly involve a direct fight with the Serbs.

Jacques Chirac, the French president, has made it clear that he now expects French peacekeepers — the largest contingent in Bosnia — to shoot back if threatened or attacked.

## HOMBRE: A Gutsy Survival Kit

Continued from Page 1

States that her brother said he had moved around only at night to evade capture.

And when rescued by U.S. Marines who had flown in helicopters from the Kearsarge, he emerged from a wooded area where he had been hiding.

"To see him running through the brush covered in sweat and water with his pistol in his hand making his way to the aircraft is not a scene that I'll soon forget," said Marine Colonel Martin Berndt, who led the rescue mission.

"We had a lot of ups and downs" as the week went on, said Captain O'Grady's father, a physician. "We knew he was hit by a missile, but at first we really didn't know he had ejected. There was no evidence of life."

Later, news media reports indicated a parachute had been found and a radio signal was being received.

## POLICY:

## NATO Vow to UN

Continued from Page 1

mission, which could last up to three months and cost \$2 billion.

The reaction force will include a British air mobile brigade, which defense analysts say would be crucial if the force is transformed into the vanguard of a rescue mission. One of the first tasks that it will supervise is a repositioning of the UN peacekeepers, which would offer them greater protection from Serbian attacks and allow an "emergency extraction" to take place more quickly than if they were scattered around the country.

The United States will be counted upon to supply much of the close air support from its bases in Italy and from aircraft carriers cruising in the Adriatic.

Mr. Perry said the U.S. offshore forces were prepared to carry out daring rescue missions of trapped UN peacekeepers of the kind that salvaged Captain Scott F. O'Grady Thursday morning, nearly a week after the F-16 he was piloting was shot down over northern Bosnia.

NATO ministers said that while the reaction force was intended to use heavy weaponry to shield the peacekeepers if they came under attack, the primary mission was to avoid military clashes while serving as a deterrent to prevent the belligerents from harassing the aid mission.

"We are not going to wage war," said Britain's defense minister, Malcolm Rifkind. NATO military officials, however, warned that the ambiguity of the reaction force's mission could quickly lead to the kind of military showdowns with the Serbs that could provoke a decision to pull out by the French and British government, who have contributed the largest number of soldiers to the UN peacekeeping force.

Italy to Prosecute Media Executive

MILAN — The chairman of Silvio Berlusconi's Fininvest, at the center of politically charged referendums on television ownership, confirmed Thursday that he was to be tried on charges of illegally financing political parties.

The Fininvest chairman, Fedele Confalonieri, who denies any wrongdoing, issued a statement confirming reports in newspapers that he would be tried over allegedly illegal contributions made in 1989 and 1990.



Captain O'Grady's father and sister celebrating in Alexandria, Virginia, on Thursday.

## For Pilot's Family, Pure Joy

## An Early-Morning Phone Call Ends a Week of Waiting

The Associated Press

ALEXANDRIA, Virginia — Air Force Captain Scott F. O'Grady survived for six days after his F-16 was shot down by Serbs in Bosnia by relying on his training and by thinking about home, his family said Thursday.

The 29-year-old pilot hid out and slept by day and moved at night, living on a small supply of survival rations and sparingly activating a radio transmitter.

"He knew people were looking for him," said his sister, Stacey, 26, who finally spoke to her brother by telephone between 3 A.M. and 4 A.M. on Thursday.

"He said he was thinking about us and that helped him get through," said Captain O'Grady's brother, Paul, 25.

"If he made it out of the plane, I wasn't worried about his survival or not," he added. "He's been well trained. He's told me about these survival things. I knew he'd be O.K."

The siblings went to the home of their father, Dr. William O'Grady, in Alexandria, immediately after hearing that their brother had been shot down last Friday, and they remained there throughout the week, waiting for news.

Stacey flew in from Chicago, where she is a teacher; Paul drove from Chapel Hill, North Carolina, where he has a summer job before beginning dental school in the fall.

The family stayed in telephone contact with Captain O'Grady's mother, who lives in Seattle.

"We had a lot of ups and downs" as the week went on, said Captain O'Grady's father, a physician. "We knew he was hit by a missile, but at first we really didn't know he had ejected. There was no evidence of life."

Later, news media reports indicated a parachute had been found and a radio signal was being received.

"That sounded good, but there was nothing definite," Dr. O'Grady said, adding that the military "may have known more than they could tell us."

Then, at 12:48 A.M. on Thursday, the phone rang, and on the other end of the line was Scott O'Grady's squadron commander.

"He was the first person to tell us they'd contacted Scott by radio and that they were going in to get him," Dr. O'Grady said.

A short time later — perhaps 20 minutes — an air force general called to say that Captain O'Grady had been brought out by helicopter.

Around 3 A.M. or 4 A.M., the family finally talked to Scott himself.

The siblings reminisced and joked about old times.

"I told him that I had his worn, torn teddy bear from upstairs," his sister said. "I slept with it last night, and I told him I had."

"He was overwhelmed by the fact that so many people were fussing over him," she added.

Stacey said she had been born on Scott's third birthday.

"I took the limelight away from him, and now he's getting it back," she said. "He can have it all."

Captain O'Grady suffered little more than a slight burn on his neck, some hunger pangs and dehydration, she said.

President Bill Clinton called Captain O'Grady's family after the rescue.

"Captain O'Grady's bravery and skill are an inspiration," Mr. Clinton said in a statement. "So are the bravery and skill of those who took part in the operation to rescue him. They are all American heroes."

Paul O'Grady praised his brother's rescuers.

"I want to thank the armed forces, just from the bottom of my heart," he said. "I can't thank them enough."

## SANTER: EU Leader Fears War Is Sapping Cohesion

Continued from Page 1

World by having meetings of cabinet ministers more frequently.

"We have so many things in common," he said. "We can have more influence acting together."

Notwithstanding those common interests, Mr. Santer criticized Washington for its unwillingness to put troops into Bosnia alongside the European contingents that make up the bulk of UN peacekeeping forces there.

"The Americans don't go to Bosnia," he said. "That is a problem."

He also rebutted domestic critics of European policy, saying that the roots of the conflict were "very complex and very difficult to resolve."

In trying to counter Bosnia's impact on support for European integration, Mr. Santer revealed the pragmatism that has become his hallmark, in contrast to the visionary drive of his predecessor, Jacques Delors. He said he saw his role as demonstrating a "personal commitment" to the concerns European citizens have about security and jobs.

## REGION: Asian Stability Shaken

Continued from Page 1

other regions." As a result, rivalries between the major powers might intensify, encouraging arms proliferation and territorial disputes in the region, he added.

During the Cold War, stability in Asia and the Pacific was based on equilibrium between the Soviet bloc and the non-Communist countries. Because it feared Moscow more than Washington, China from the late 1960s was a de facto member of the U.S.-led group.

With American power in relative decline, Japan is now the dominant economic player in Asia, with China rising fast as an economic and military force.

Abdullah Ahmad Badawi, Malaysia's foreign minister, said that with the end of the Cold War "the dynamics which worked to keep bilateral and other rivalries in check in the past are no longer operative" in the Asia-Pacific region.

Many Asian countries are worried about China's future intentions but do not want to see Japan end its security alliance with United States and become an independent military counterweight to China.

"Asia without America would be a highly uncertain and dangerous place in which rivalry between China and Japan might be unleashed," said Paul Dibb, head of the Strategic and Defense Studies Center at the Australian National University in Canberra.

Shannugar Jayakumar, Singapore's foreign minister, said recently that a new Asia-Pacific order would be built around the triangular structure of relations between the United States, Japan and China.

But without a common Cold War enemy, he said, adjustments in relations between the three major powers were occurring "without the benefit of a clear shared strategic vision or threat perception to focus issues and help contain economic and political stresses."

These changes, he said, were being made when no single nation could any longer dictate outcomes on the basis of superior power or strategic necessity.

"It is not clear how the new strategic triangle will evolve under these unique circumstances," he said. "The normal interaction could all too easily deteriorate into severe antagonisms that could very well negate the promise of Asia-Pacific growth."

## ENVOY: Beijing Vacancy

Continued from Page 1

potential to destabilize Asia over the Taiwan question, Western diplomats say.

Mr. Roy has pointed out to visitors that even as Taiwan was spending millions of dollars in a targeted diplomatic campaign to win Mr. Lee a visit to the United States, Chinese leaders remained aloof to the changing political dynamic.

After the visa decision, Chinese officials have asked American visitors whether Mr. Clinton would be willing to make amends for the damage he has done to relations with China by some new diplomatic initiative.

The ideas floated included: a White House invitation for a state visit to Washington by President Jiang Zemin or withdrawal of American support for the annual resolution in the United Nations condemning China's human rights record.

Mr. Roy's response to these ideas, one American visitor said, was a suggestion that the visitor deliver a blunt message to Chinese leaders asking whether they were ready to make real progress on improving their human rights record by releasing Wei Jingsheng, Ren Wandong and Bao Tong, all prominent political prisoners, and to resume discussions to open Chinese prisons to visits by the International Committee of the Red Cross.

## INTERNATIONAL CLASSIFIED

<p><b>TODAY'S HOLIDAYS &amp; TRAVEL SECTION</b></p> <p>Appears on Page 10</p> <p><b>PERSONALS</b></p> <p>THANK YOU SACHED HEART of love and joy for prayers.</p> <p><b>MOVING</b></p> <p><b>INTERDEAN</b></p> <p>FOR A FREE ESTIMATE CALL PARIS (1) 39201400</p> <p><b>AGS</b></p> <p>A.G.S. PARIS (33-1) 40 80 20 40</p> <p><b>ANNOUNCEMENTS</b></p> <p><b>BAREME AS 24</b></p> <p>au 9 JUNE 1995</p> <p>Paris: 17h 15 - 17h 30</p> <p>FRANCE: 17h 15 - 17h 30</p> <p>U.K.: 17h 15 - 17h 30</p> <p>ALGERIA: 17h 15 - 17h 30</p> <p>BRUNNEN: 17h 15 - 17h 30</p> <p>ESPAGNE: 17h 15 - 17h 30</p>	<p><b>Attention visitors from the U.S.!</b></p> <p>If you enjoy reading the IHT when you travel, why not also get it at home? Some-day delivery available in key U.S. cities.</p> <p>Call (1) 800 882 2884 (in New York call 212 752 3890)</p> <p><b>HERALD TRIBUNE</b></p> <p>AMIA SCHOOL. The most refined of all in Zurich exclusively for women. 13, Scheideggstrasse 13, 8001 Zurich. Tel: 011 21 20 20</p> <p><b>BUSINESS SERVICES</b></p> <p><b>OFFSHORE BANKS</b></p> <p>INSURANCE COMPANIES</p> <p>COMPANIES &amp; TRUSTS</p> <p>ASSET PROTECTION</p> <p>IMMIGRATION/PASSPORTS</p> <p>TRADE - FINANCE</p> <p><b>ASTON CORPORATE TRUSTEES LTD</b></p> <p>19 Paul Road, Douglas, Isle of Man. Tel: 01624 626591 Fax: 01624 626592</p> <p><b>OFFSHORE COMPANIES</b></p> <p>750 READY MADE COMPANIES</p> <p>BANK INTRODUCTION</p> <p>ACCOUNTING, LEGAL &amp; ADMIN</p> <p>INC. AND TRADE DOCUMENTATION</p> <p>TELEPHONE &amp; MAIL FORWARDING</p> <p>Telephone for immediate service and 100 page colour brochure</p> <p><b>OGRA ASIA LIMITED</b></p> <p>2402 Bank of America Tower, Hong Kong. Tel: 252 52701 Fax: 252 52701</p>	<p><b>FINANCIAL SERVICES</b></p> <p><b>FUNDING PROBLEMS?</b></p> <p>BAIKABLE GUARANTEES TO SECURE FINANCING</p> <p>REAL ESTATE BUSINESS</p> <p>UNION TRADING</p> <p>COLLATERAL SUPPORTED</p> <p>GUARANTEED</p> <p>Direct: 01844 9426169</p> <p>Investor: 01844 9426170</p> <p>01844 9426171</p> <p>01844 9426172</p> <p>01844 9426173</p> <p>01844 9426174</p> <p>01844 9426175</p> <p>01844 9426176</p> <p>01844 9426177</p> <p>01844 9426178</p> <p>01844 9426179</p> <p>01844 9426180</p> <p>01844 9426181</p> <p>01844 9426182</p> <p>01844 9426183</p> <p>01844 9426184</p> <p>01844 9426185</p> <p>01844 9426186</p> <p>01844 9426187</p> <p>01844 9426188</p> <p>01844 9426189</p> <p>01844 9426190</p> <p>01844 9426191</p> <p>01844 9426192</p> <p>01844 9426193</p> <p>01844 9426194</p> <p>01844 9426195</p> <p>01844 9426196</p> <p>01844 9426197</p> <p>01844 9426198</p> <p>01844 9426199</p> <p>01844 9426200</p> <p>01844 9426201</p> <p>01844 9426202</p> <p>01844 9426203</p> <p>01844 9426204</p> <p>01844 9426205</p> <p>01844 9426206</p> <p>01844 9426207</p> <p>01844 9426208</p> <p>01844 9426209</p> <p>01844 9426210</p> <p>01844 9426211</p> <p>01844 9426212</p> <p>01844 9426213</p> <p>01844 9426214</p> <p>01844 9426215</p> <p>01844 9426216</p> <p>01844 9426217</p> <p>01844 9426218</p> <p>01844 9426219</p> <p>01844 9426220</p> <p>01844 9426221</p> <p>01844 9426222</p> <p>01844 9426223</p> <p>01844 9426224</p> <p>01844 9426225</p> <p>01844 9426226</p> <p>01844 9426227</p> <p>01844 9426228</p> <p>01844 9426229</p> <p>01844 9426230</p> <p>01844 9426231</p> <p>01844 9426232</p> <p>01844 9426233</p> <p>01844 9426234</p> <p>01844 9426235</p> <p>01844 9426236</p> <p>01844 9426237</p> <p>01844 9426238</p> <p>01844 9426239</p> <p>01844 9426240</p> <p>01844 9426241</p> <p>01844 9426242</p> <p>01844 9426243</p> <p>01844 9426244</p> <p>01844 9426245</p> <p>01844 9426246</p> <p>01844 9426247</p> <p>01844 9426248</p> <p>01844 9426249</p> <p>01844 9426250</p> <p>01844 9426251</p> <p>01844 9426252</p> <p>01844 9426253</p> <p>01844 9426254</p> <p>01844 9426255</p> <p>01844 9426256</p> <p>01844 9426257</p> <p>01844 9426258</p> <p>01844 9426259</p> <p>01844 9426260</p> <p>01844 9426261</p> <p>01844 9426262</p> <p>01844 9426263</p> <p>01844 9426264</p> <p>01844 9426265</p> <p>01844 9426266</p> <p>01844 9426267</p> <p>01844 9426268</p> <p>01844 9426269</p> <p>01844 9426270</p> <p>01844 9426271</p> <p>01844 9426272</p> <p>01844 9426273</p> <p>01844 9426274</p> <p>01844 9426275</p> <p>01844 9426276</p> <p>01844 9426277</p> <p>01844 9426278</p> <p>01844 9426279</p> <p>01844 9426280</p> <p>01844 9426281</p> <p>01844 9426282</p> <p>01844 9426283</p> <p>01844 9426284</p> <p>01844 9426285</p> <p>01844 9426286</p> <p>01844 9426287</p> <p>01844 9426288</p> <p>01844 9426289</p> <p>01844 9426290</p> <p>01844 9426291</p> <p>01844 9426292</p> <p>01844 9426293</p> <p>01844 9426294</p> <p>01844 9426295</p> <p>01844 9426296</p> <p>01844 9426297</p> <p>01844 9426298</p> <p>01844 9426299</p> <p>01844 9426300</p> <p>01844 9426301</p> <p>01844 9426302</p> <p>01844 9426303</p> <p>01844 9426304</p> <p>01844 9426305</p> <p>01844 9426306</p> <p>01844 9426307</p> <p>01844 9426308</p> <p>01844 9426309</p> <p>01844 9426310</p> <p>01844 9426311</p> <p>01844 9426312</p> <p>01844 9426313</p> <p>01844 9426314</p> <p>01844 9426315</p> <p>01844 9426316</p> <p>01844 9426317</p> <p>01844 9426318</p> <p>01844 9426319</p> <p>01844 9426320</p> <p>01844 9426321</p> <p>01844 9426322</p> <p>01844 9426323</p> <p>01844 9426324</p> <p>01844 9426325</p> <p>01844 9426326</p> <p>01844 9426327</p> <p>01844 9426328</p> <p>01844 9426329</p> <p>01844 9426330</p> <p>01844 9426331</p> <p>01844 9426332</p> <p>01844</p>
--	--	---



## INTERNATIONAL

## Rwanda Calls for Development Aid

By Barbara Crossette  
New York Times Service

UNITED NATIONS, New York — While world attention has been on strengthening the UN force in Bosnia, quiet talks have been going on with Rwanda, which wants its peacekeepers — or many of them — to leave.

A year after a genocidal rampage left as many as a million dead, and with the perpetrators threatening a comeback, the Security Council has been trying to persuade Rwanda to allow more than 2,500 troops and military observers to stay on to provide security.

For Rwanda, that is the wrong kind of help. "Here for once we have a small African country with difficulties who knows what it wants and what it needs to do," said Manzi Bakurumutsa, Rwanda's representative at the United Nations and an agricultural development expert. "Give us a chance to help ourselves."

What Rwanda needs, he said, is an army of civilians, a huge development corps. "We need the doctors, the judges, the lawyers, the people who can help us lift the country," he said. "We don't need any more military."

James Gustave Speth, administrator of the UN Development Program, assembled \$634 million in pledges for Rwanda's economic recovery. Of the \$69 million disbursed, \$29 million has been for debts.

"It's cheaper in the long run to support reconstruction and reconciliation than to sustain refugee camps," he said. The world has a pattern, he said, of opening "hearts and pocket-books" in a crisis but is slow to recognize the need for development, "when things sort of move off the front pages."

Rwanda's development needs will be reassessed at a meeting in Kigali in July. One of his projects is assembling 50 specialists to help set up a court system.

The United Nations faces a Friday deadline on the Rwanda question, one that is important to the future of international missions in small nations that tumble into catastrophe. There are now 5,586 troops, 317 military observers and 64 civilian police officers in Rwanda. Secretary-General Boutros Boutros Ghali is suggesting 2,330 troops, 320 observers and 65 police officers.

Despite the threat of renewed war, Rwanda says that it does not need a large UN force for security. It wanted only about 500 troops to remain, but was persuaded to raise that number to 1,800. Rwanda agreed to accept a six-month extension of the force, but asked that the extension be final.

The Rwanda government, dominated by members of the minority Tutsi community but with a Hutu president and prime minister, took office last July after a Tutsi military force, the Rwanda Patriotic Front, took power. The takeover halted months of bloodshed that began in April 1994, after the country's president, Major General Juvenal Habyarimana, was killed in a suspicious plane crash and his Hutu supporters unleashed a campaign of terror and death against the Tutsi.

As the Patriotic Front came to power, Hutu began fleeing the country, leaving the capital and many towns in ruins. The country's central bank was penniless and government offices had no chairs or windows.

Hostility against the United Nations, which withdrew a force last year as the genocide was beginning, runs high. Mr. Bakurumutsa was bitter about UN claims that peacekeepers were in Rwanda to help in "confidence-building."

"It is up to the Rwanda government and people to build confidence between themselves," Mr. Bakurumutsa said. "It is not an intermediary who can do that on our behalf."



Shimon Peres, right, greeting Mr. Christopher on his arrival in Israel Thursday for a new round of peace discussions.

## Christopher Hails a New Era in Mideast

The Associated Press

JERUSALEM — In an atmosphere of unusual optimism, the U.S. secretary of state, Warren M. Christopher, opened a new round of Middle East peace discussions Thursday and declared that "the cycle of war and terror" was ending.

He was greeted on his arrival in Israel by Foreign Minister Shimon Peres, who sounded equally upbeat, saying that scheduled security discussions with Syria held out hope for "a complete peace in the Middle East."

Mr. Christopher also announced that Prime Minister Yitzhak Rabin would join him in Cairo on Friday for a meeting with President Hosni Mubarak.

Egypt was the first Arab country to make peace with Israel, in 1979. Relations have remained cool, although U.S. officials have praised Mr. Mubarak for his role in supporting the peace process.

Mr. Peres said Israel and Egypt were entering a new phase in their relations. "The arguments are over," he said.

Egypt's foreign minister, Amr Moussa, said Mr. Mubarak would express "the Palestinian viewpoint" at Friday's meeting.

"Israeli-Egyptian relations will also be discussed, including the nuclear issue, which cannot be ignored," Mr. Moussa said.

Egypt has been pressing Israel to allow international inspections of installations assumed to be part of a nuclear weapons program.

Before his arrival, Mr. Christopher said that Israelis, Palestinians and Syrians —

the parties to the negotiations — "seem to be in a problem-solving mode."

But he warned that approaching elections in Israel and the United States made it essential to pick up the pace.

He called this "a moment of real momentum in the peace process."

But he added: "It's essential for the parties to accelerate the pace if they're going to achieve sufficient progress before the elections have an overhang on it."

En route to Israel, Mr. Christopher said he hoped the Cairo meeting would help ease tensions between Israel and Egypt.

Egypt led an unsuccessful move to block indefinite extension of the Nuclear Non-proliferation Treaty unless Israel agreed to become a party and disclose its nuclear weapons program.

Before his arrival, Mr. Christopher said that Israelis, Palestinians and Syrians —

## Israel Hit by Blackout, Snarling Businesses and Traffic

The Associated Press

JERUSALEM — A power failure struck most of Israel on Thursday, causing major traffic jams and shutting down businesses.

The failure, which began at 1:55 P.M., affected nearly the entire country, including Jerusalem, Tel Aviv and the Palestinian self-rule areas of Jericho and the Gaza Strip. Power was restored to most places by 5:45 P.M.

Ben Gurion International Airport's control tower and other systems were operating on emergency generators, and an airport spokeswoman said there were no delays.

Israel's energy minister, Gonen Segal, told Israel Radio that the power failure occurred after two high tension wires short circuited, but the cause of the short circuit was unclear.

Nonfunctioning traffic signals caused major traffic tie-ups in Tel Aviv, where drivers emptied water bottles on the hoods of their cars to keep them from overheating. The failure closed Tel Aviv's stock exchange, and the police were flooded with reports of people stuck in elevators.

Backup generators kept intensive care units operating at Jerusalem's Hadassah Hospital, said a spokesman, Yossi Shoval, but other areas of the hospital were without air-conditioning in the 30-degree Celsius (86 degrees Fahrenheit) heat.

Backup generators kept intensive care units operating at Jerusalem's Hadassah Hospital, said a spokesman, Yossi Shoval, but other areas of the hospital were without air-conditioning in the 30-degree Celsius (86 degrees Fahrenheit) heat.

Backup generators kept intensive care units operating at Jerusalem's Hadassah Hospital, said a spokesman, Yossi Shoval, but other areas of the hospital were without air-conditioning in the 30-degree Celsius (86 degrees Fahrenheit) heat.

Backup generators kept intensive care units operating at Jerusalem's Hadassah Hospital, said a spokesman, Yossi Shoval, but other areas of the hospital were without air-conditioning in the 30-degree Celsius (86 degrees Fahrenheit) heat.

Backup generators kept intensive care units operating at Jerusalem's Hadassah Hospital, said a spokesman, Yossi Shoval, but other areas of the hospital were without air-conditioning in the 30-degree Celsius (86 degrees Fahrenheit) heat.

Backup generators kept intensive care units operating at Jerusalem's Hadassah Hospital, said a spokesman, Yossi Shoval, but other areas of the hospital were without air-conditioning in the 30-degree Celsius (86 degrees Fahrenheit) heat.

Backup generators kept intensive care units operating at Jerusalem's Hadassah Hospital, said a spokesman, Yossi Shoval, but other areas of the hospital were without air-conditioning in the 30-degree Celsius (86 degrees Fahrenheit) heat.

Backup generators kept intensive care units operating at Jerusalem's Hadassah Hospital, said a spokesman, Yossi Shoval, but other areas of the hospital were without air-conditioning in the 30-degree Celsius (86 degrees Fahrenheit) heat.

Backup generators kept intensive care units operating at Jerusalem's Hadassah Hospital, said a spokesman, Yossi Shoval, but other areas of the hospital were without air-conditioning in the 30-degree Celsius (86 degrees Fahrenheit) heat.

Backup generators kept intensive care units operating at Jerusalem's Hadassah Hospital, said a spokesman, Yossi Shoval, but other areas of the hospital were without air-conditioning in the 30-degree Celsius (86 degrees Fahrenheit) heat.

Backup generators kept intensive care units operating at Jerusalem's Hadassah Hospital, said a spokesman, Yossi Shoval, but other areas of the hospital were without air-conditioning in the 30-degree Celsius (86 degrees Fahrenheit) heat.

Backup generators kept intensive care units operating at Jerusalem's Hadassah Hospital, said a spokesman, Yossi Shoval, but other areas of the hospital were without air-conditioning in the 30-degree Celsius (86 degrees Fahrenheit) heat.

Backup generators kept intensive care units operating at Jerusalem's Hadassah Hospital, said a spokesman, Yossi Shoval, but other areas of the hospital were without air-conditioning in the 30-degree Celsius (86 degrees Fahrenheit) heat.

Backup generators kept intensive care units operating at Jerusalem's Hadassah Hospital, said a spokesman, Yossi Shoval, but other areas of the hospital were without air-conditioning in the 30-degree Celsius (86 degrees Fahrenheit) heat.

Backup generators kept intensive care units operating at Jerusalem's Hadassah Hospital, said a spokesman, Yossi Shoval, but other areas of the hospital were without air-conditioning in the 30-degree Celsius (86 degrees Fahrenheit) heat.

Backup generators kept intensive care units operating at Jerusalem's Hadassah Hospital, said a spokesman, Yossi Shoval, but other areas of the hospital were without air-conditioning in the 30-degree Celsius (86 degrees Fahrenheit) heat.

Backup generators kept intensive care units operating at Jerusalem's Hadassah Hospital, said a spokesman, Yossi Shoval, but other areas of the hospital were without air-conditioning in the 30-degree Celsius (86 degrees Fahrenheit) heat.

Backup generators kept intensive care units operating at Jerusalem's Hadassah Hospital, said a spokesman, Yossi Shoval, but other areas of the hospital were without air-conditioning in the 30-degree Celsius (86 degrees Fahrenheit) heat.

Backup generators kept intensive care units operating at Jerusalem's Hadassah Hospital, said a spokesman, Yossi Shoval, but other areas of the hospital were without air-conditioning in the 30-degree Celsius (86 degrees Fahrenheit) heat.

Backup generators kept intensive care units operating at Jerusalem's Hadassah Hospital, said a spokesman, Yossi Shoval, but other areas of the hospital were without air-conditioning in the 30-degree Celsius (86 degrees Fahrenheit) heat.

Backup generators kept intensive care units operating at Jerusalem's Hadassah Hospital, said a spokesman, Yossi Shoval, but other areas of the hospital were without air-conditioning in the 30-degree Celsius (86 degrees Fahrenheit) heat.

Backup generators kept intensive care units operating at Jerusalem's Hadassah Hospital, said a spokesman, Yossi Shoval, but other areas of the hospital were without air-conditioning in the 30-degree Celsius (86 degrees Fahrenheit) heat.

Backup generators kept intensive care units operating at Jerusalem's Hadassah Hospital, said a spokesman, Yossi Shoval, but other areas of the hospital were without air-conditioning in the 30-degree Celsius (86 degrees Fahrenheit) heat.

Backup generators kept intensive care units operating at Jerusalem's Hadassah Hospital, said a spokesman, Yossi Shoval, but other areas of the hospital were without air-conditioning in the 30-degree Celsius (86 degrees Fahrenheit) heat.

Backup generators kept intensive care units operating at Jerusalem's Hadassah Hospital, said a spokesman, Yossi Shoval, but other areas of the hospital were without air-conditioning in the 30-degree Celsius (86 degrees Fahrenheit) heat.

Backup generators kept intensive care units operating at Jerusalem's Hadassah Hospital, said a spokesman, Yossi Shoval, but other areas of the hospital were without air-conditioning in the 30-degree Celsius (86 degrees Fahrenheit) heat.

Backup generators kept intensive care units operating at Jerusalem's Hadassah Hospital, said a spokesman, Yossi Shoval, but other areas of the hospital were without air-conditioning in the 30-degree Celsius (86 degrees Fahrenheit) heat.

Backup generators kept intensive care units operating at Jerusalem's Hadassah Hospital, said a spokesman, Yossi Shoval, but other areas of the hospital were without air-conditioning in the 30-degree Celsius (86 degrees Fahrenheit) heat.

Backup generators kept intensive care units operating at Jerusalem's Hadassah Hospital, said a spokesman, Yossi Shoval, but other areas of the hospital were without air-conditioning in the 30-degree Celsius (86 degrees Fahrenheit) heat.

## Appeal for World's Children

Unicef's New Director Laments Cuts by Donor Countries

By Barry James  
International Herald Tribune

The new executive director of the United Nations Children's Fund said Thursday that governments are cutting back on foreign development aid at a time when the needs for saving the lives of millions of children have never been so cheap or so readily available.

In an interview, the director, Carol Bellamy, gave as an example that it costs only about four cents a year to provide a child with enough Vitamin A to prevent a form of blindness prevalent in the developing world.

"Very often we talk about development in broad terms and we don't bring it down to specifics," said Mrs. Bellamy, who was appointed two months ago.

"The United States and Western Europe are spending about half a billion dollars an-

ually to keep their regions clean of polio. Yet, if we spent \$130 million a year for five more years, we could wipe out polio entirely. That connection is not always made."

Mrs. Bellamy spoke from Berlin, where she was presenting Unicef's annual "Progress of Nations" report in a country that is one of the fund's most important donors.

Afterward, she was to fly to Nairobi, where it was reported last month that the fund lost as much as \$10 million to serious fraud and mismanagement in two years.

Eight staff members have been dismissed and 16 been suspended in the worst scandal in the agency's history. Other employees are under investigation.

Development aid is "good politics and good economics," she said, warning that failing to make the right investments now could produce crises like those in Rwanda or Somalia.

That means, she said, that the industrialized world will eventually have "to pay more and get less in return."

She said there were many loyal and capable employees in the Nairobi office, and that her task now was primarily to lift morale in the regional headquarters, which is responsible for relief operations in neighboring Sudan and Somalia.

"This is something that should not have happened, and will not happen again," she said. "I do not think it was symptomatic."

Mrs. Bellamy, the former head of the U.S. Peace Corps, has promised to make management changes a priority, and said that she was concerned about the low level of morale at the agency.

This, she added, was a result of major changes in the organization and personnel policies "that are perceived not to have been as clear or fair or thoughtful as they have should have been."

She said she learned from a term as president of the New York City Council that "morale is a very important component in being able to do good management."

Mrs. Bellamy said that the problems, however, should not detract from the fund's mission of saving children, and that cuts by donors were short-sighted.

Cheap, well-understood and readily available items such as vitamins, vaccines for the most common childhood diseases and oral rehydration kits make it possible to save a "substantial" number of lives every year for a relatively minor investment; \$13 is all it takes to protect a child in the developing world against the six biggest childhood killers, and that includes money for vehicles, staff and training, she said.

Development aid is "good politics and good economics," she said, warning that failing to make the right investments now could produce crises like those in Rwanda or Somalia.

That means, she said, that the industrialized world will eventually have "to pay more and get less in return."

Development aid is "good politics and good economics," she said, warning that failing to make the right investments now could produce crises like those in Rwanda or Somalia.

That means, she said, that the industrialized world will eventually have "to pay more and get less in return."

# The world's most powerful news-gathering network is making a deal with you. But only if you act now.

## A special, low subscription price, plus two months free!

Unmatched information sources. A highly-distinguished staff of journalists around the globe. Concise reporting of all major news events, providing you with a unique international perspective. These are the privileges you enjoy when you follow the world every day in the International Herald Tribune.

You can save a total of up to 50% off the cover price! Act now — this offer could be limited in time. So fax or mail the coupon today.

## New Subscriber Offer

Mail or fax to: International Herald Tribune, 187, Avenue Charles-de-Gaulle, 90521 Neuilly Cedex, France  
For full information: Fax (+33-1) 41 43 92 10

Country/Currency	12 months +2 months FREE	% SAVINGS for 1 year	3 months +2 weeks FREE
Austria A.Sch.	6,000	37	1,800
Belgium B.Fr.	14,000	41	4,200
Denmark D.Kr.	3,400	33	1,050
France F.Fr.	1,950	40	590
Germany D.M.	700	32	210
Great Britain £	210	32	65
Ireland £Ir.	250	37	68
Italy Lira	470,000	50	145,000
Luxembourg L.Fr.	14,000	41	4,200
Netherlands F.	770	40	230
Portugal Esc.	47,000	44	14,000
Spain Ptas.	48,000	41	14,500
Switzerland S.Fr.	55,000	33	14,500
Sweden S.Kr.	2,100	34	600
United States \$	3,950	26	1,000
Switzerland S.Fr.	110	48	185

Yes, I want to start receiving the International Herald Tribune every day.

The subscription term I prefer is (check box):

☐ 12 months (+2 months free).

☐ 3 months (+2 weeks free).

☐ My check is enclosed (payable to the International Herald Tribune).

☐ Please charge my: ☐ American Express ☐ Diners Club ☐ VISA ☐ Access ☐ MasterCard ☐ Eurocard

Credit card charges will be made in French Francs at current exchange rates.

Card No. \_\_\_\_\_

Exp. date \_\_\_\_\_ Signature \_\_\_\_\_

For business orders, please indicate your VAT number: \_\_\_\_\_

IHT VAT number: FR 747320211265

☐ Mr. ☐ Mrs. ☐ Ms.

Family name \_\_\_\_\_

First name \_\_\_\_\_

Mailing Address: ☐ Home ☐ Business

City/Code \_\_\_\_\_ Country \_\_\_\_\_

Tel. \_\_\_\_\_ Fax \_\_\_\_\_

**International Herald Tribune**

THE WORLD'S DAILY NEWSPAPER

## Investing in Infrastructure Iguacu, Brazil

November 27th and 28th 1995

An invitation to meet business, finance and government leaders from Argentina, Brazil, Paraguay and Uruguay to discuss the wide array of ambitious infrastructure projects

The International Herald Tribune, in co-operation with the Inter-American Development Bank and the Institute for European-Latin American Relations, is convening a timely conference on "Mercosur: Investing in Infrastructure." The conference will take place in Iguacu, Brazil, on November 27-28, 1995 and will offer an exceptional forum for foreign investors wishing to profit from Mercosur's vast potential.

This major international gathering will focus on the extensive business opportunities for foreign investors, especially those offered by the wide range of ambitious infrastructure projects throughout Argentina, Brazil, Paraguay and Uruguay.



**International Herald Tribune**  
THE WORLD'S DAILY NEWSPAPER



For full program details, or information about remaining sponsorship opportunities, please contact Fiona Coward  
International Herald Tribune Conference Office: 63 Long Acre, London WC2E 9JH  
Tel: (44 171) 836 4802 Fax: (44 171) 836 0717

Handwritten signature or mark.







## OPINION/LETTERS

## Russian Security's Second Wind

By William Safire

MOSCOW — The name has been changed five times in the past five years. But the agency headquartered in what was the Lubyanka prison is still known here and abroad as the KGB.

"Changing names is a hobby of ours," struts Alexander Mikhailov, press agent for what is this month called the Federal Security Service. On his office wall is a picture of, and a poem by, Yuri Andropov, who was KGB chief when the agency acted as the "sword and shield" of the Communist Party.

Last time I was in this headquarters was in 1991, not long after a KGB chief led a coup against Mikhail Gorbachev and was in turn ousted and jailed by Boris Yeltsin. At that time the Soviet agency was being broken up, its powers limited to counterespionage, most of its personnel parceled out to Mr. Yeltsin's Russian security, the army and other bureaucracies.

Today, fans of political repression will be glad to learn, the KGB is getting a second wind.

Mr. Yeltsin proposed and signed a new law that encourages warrantless agents to enter anyone's dwelling on

suspicion of any sort of criminality (even as President Bill Clinton sought and failed to get warrantless wiretaps). He also issued a decree requiring the licensing of computer encryption devices, providing KGB access to all data transmission.

As a result, morale is said to be as high as that of the CIA is low. This despite the inability of the KGB to set up a puppet regime in Chechnya, or later to anticipate the fury of the Chechen resistance to invasion.

Asked about this operational failure, Mr. Mikhailov waves off that war as "the disarming of criminals." He points instead to his agency's success in economic intelligence: "One week before Black Tuesday, we informed the leadership of the likely collapse of the ruble."

Though the KGB has a gentlemen's agreement with other secret services not to identify the nationality of spies it captures, its counterspy business has been lively with Turkey, Ukraine, the Baltics and China.

Do not underestimate the skill of

Russian security: The Ames debacle reminds us that even as the Soviet Union was losing the Cold War, the KGB was winning its battle with the CIA. Mr. Yeltsin respects that KGB power; he has been careful to keep state security dispersed.

Closest to him is the Presidential Security Service, a Pratorian guard of 4,000 run by Alexander Kozlov, said to have "black brains" — anti-intellectual, moody, brutal.

The next circle is the Main Administration for the Protection of the Russian Federation, a force of 40,000 to protect — actually to watch — other Russian leaders, run by Mikhail Barsukov.

Then comes the KGB, whose budget authorizes a force of 76,000, many now authorized to work in other nations. Internal anti-corruption activities are directed mainly at Yeltsin opponents. Its boss, General Sergei Stepashin, is said by some Russians to have "a hat rack in his pants," which I presume is a reference to ambition or discomfort.

Furthest from Mr. Yeltsin, but a counterweight to the KGB, is Yevgeni Primakov's Foreign Intelligence Service, its numbers unknown to me. Mr. Primakov is still tight with Iraq's Saddam; after discovering Russia's Nuclear Ministry discussing centrifuge sales to Iran, he promptly shot that down, fearing Islamic penetration into Tajikistan and Uzbekistan. Mr. Primakov then leaked the centrifuge discussion, and the Foreign Ministry was able to dress up the turnaround as a summit "concession" while the rest of the nuclear deal went on.

The services overlap, and their members have subtle interrelationships. Kozlov's loyalists permeate the other units, and vice versa.

Old sparrows revisiting Moscow have to marvel at its transformation.



By KILLIAN. (C&amp;W Syndicate.)

Newcomers Westerners have no memory of being constantly crowded by taps and bugs, cut off from truthful communication, fearful of meeting Russians lest they be arrested. First-time visitors take for granted the way they can speak freely, watch CNN or buy a Herald Tribune on the day of publication,

go to people's homes, even visit Lubyanka prison. The anomaly that is predemocratic Russia is best shown in the local media's gassy reporting of the menacing growth of security forces. The KGB flack puts it in a nutshell: "They write what they like and we do what we like."

The New York Times.

## Wildlife Under Pressure, Predators Misunderstood

By Terry McDonnell

NEW YORK — Not so long ago, we Americans were a nation of hunters. Our wild lands and animals appeared endless. Our presidents were known as sportsmen and wrote books bragging about their exploits. Today, our wildlife is under great pressure and our politicians spend brief moments in the field holding shotguns or rodd aloft to television cameras, cynically hunting for votes.

There are still real hunters in America, of course. The number of hunters has stabilized at about 7 percent of the population since 1937 (6.9 million then, 15.5 million now).

But these hunters are not seen clearly. The media increasingly resort to cartoon stereotypes of hunters, and

Since then the population has increased to more than a million.

This is good news for everyone, and sportsmen should be given credit for a lot of it. They have certainly paid for it.

Each day, through license revenues, excise taxes and other income sources like Duck Stamps, American sportsmen contribute \$3 million to wildlife conservation efforts — more than \$1 billion a year.

Through some 10,000 private groups they give an additional \$300 million each year. Disappearing wildlife habitat is their issue, and effective game management is their goal. No wonder they bristle when some fashion model or lobbyist accuses them of murder for thinning herds that would otherwise be all but wiped out by winter kill.

Nothing about hunting is simple, least of all the mind of the predator. Not to recognize this is to miss the point of a new hunting ethos that is as strong in the deer and elk camps of Pennsylvania and Wyoming as it is dimly perceived in the plastic-shoe section of Bloomingdale's and the health-food bistros of Miami's South Beach.

The men and women in the hunting camps are after much more than their quarry, and they are fed up with not being recognized as the strong and dedicated conservationists they are. And lately they have become even more frustrated with talk-show patter about how dangerous they are.

Hunters do not join citizen's militias. They look at gun control as an urban-rural issue. And most of them agree that waiting periods and background checks are good safeguards to attach to firearm purchases.

The wilderness thrills them even as they see the social and political environment for hunting changing more rapidly than the natural world itself. They nurture their traditions as vigorously as their grandfathers and grandmothers do, but they are saddened by what they anticipate for their grandchildren.

Sometimes, sitting silently in the forest or climbing in the mountains, it occurs to them that they do not want to go home. They have begun to think of themselves as an endangered species.

I know this because I am a hunter.

The writer is editor and publisher of Sports Afield magazine. He contributed this column to The New York Times.

## MEANWHILE

this hurts them. They are not mean-spirited rednecks or drunken Bubbas, and they are tired of offhanded references to Bambi.

They live in a food chain that they understand clearly, and they husband their game.

In 1900, less than half a million white-tailed deer remained in America. Today, the whitetail population exceeds 18 million.

In 1907, only about 40,000 elk could be counted. The elk population in 10 Western states now totals more than 800,000.

In the early 1900s, the wild turkey population was under 100,000 and falling fast. At last count, there were more than 4.5 million.

Less than 50 years ago, there were only 12,000 pronghorn antelope left.

## LETTERS TO THE EDITOR

## Bosnia and the West

William Safire contends that pouring weapons into Bosnia and dropping bombs on the Bosnian Serbs is the best way to "win the war" ("A Bosnian Solution Is in the Air," *Opinion*, June 2). If successful, this "pour and drop" strategy would result in the death or expulsion of more than a million Serbs from their ancestral homeland. A similar fate would be met by the tens of thousands of Muslims in Bihac, loyal to Filaret Abdic, who do not support the policies of the Izetbegovic government.

Mr. Safire suggests that the Bosnian Serbs' reach for self-determination must be crushed. If the West is to

uphold basic democratic principles, then surely the Bosnian Serbs should be given a say in their own future.

It must be recognized that there are four constituent groups in Bosnia: the Croats, the Muslims led by Alija Izetbegovic, the Muslims led by Mr. Abdic and the Serbs. The Western goal should be to ensure that no single group is allowed to impose its will on any of the others and that a mutually acceptable constitutional package is agreed upon.

The way to achieve this is to pressure all parties in Bosnia to negotiate directly with one another on equal terms.

GEORGE TINTOR,  
London.

There are only two options left: either the United Nations revises its position of peacekeeping to peace-making and requests active and appropriate military help from NATO (including the Americans) on the ground and in the air, or everybody pulls out of Bosnia and lets the fighting continue, with the added risk of opening the door to the establishment of a Tehran-led fundamentalist Muslim bridgehead in Europe — in the midst of EU and NATO territory.

KARL H. PAGAC,  
Villeneuve-Loubet, France.

Western powers must draw the line on the basis of the international peace accepted by the Bosnian government

and the Bosnian Croats. Failure to take a stand will lead to similar problems in other potential Balkan trouble spots. Bosnia is not just the front line between Serbs and Muslims. It is also the front line in the war between nationalism and liberal democracy.

JAMES H. MEYER,  
Istanbul.

Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.



"A world where the vast majority of children are free from malnutrition, illiteracy, and some of the most prevalent diseases could be achieved in a decade, if given priority."

— from UNICEF's  
The Progress of Nations 1993 report

## They Are The World.

A message from Harry Belafonte, entertainer, civil rights leader, and Goodwill Ambassador for UNICEF.



Some of my childhood memories are as vivid as if they happened yesterday. As I travel today and meet children from all over the world, I am reminded by their faces and by their voices of how it feels when

your opinions don't count, your ideas have little value, and you are powerless to change the things around you.

When I travel for UNICEF to Africa, Asia, Europe, or Latin America, where I grew up, I always take time to talk to and listen to the children — the most vulnerable of us. They have made it abundantly clear that they feel left out when decisions are made that affect their lives and that they feel held hostage by their societies and governments when political and economic decisions are being made about their future.

But each new generation offers humanity another chance. The United Nations Convention on the Rights of the Child, now ratified by 174 countries, ensures every child the right to survival and development, as well as protection from harm and exploitation. It also ensures every child the right to participate in the decisions that directly affect their lives.

When our time has come and gone, these children are the ones who will shape the world. They will be the world. It is the purpose of UNICEF and all of us who serve its cause to ensure that the children of our planet will have their own voice in the agenda of human affairs.

Harry Belafonte

Help UNICEF help children.

unicef  
United Nations Children's Fund

For more information, please contact your nearest UNICEF office or National Committee for UNICEF.

This column is donated by  
Canon and the International Herald Tribune.

## What's developing in developing countries is more children's minds like the one above.

The picture is looking better than ever. At last report, 71% of the children in developing nations are now completing at least four years of primary education. And even in the least-developed countries, a higher proportion of people are reaching adulthood with the ability to read and write.

As a company long associated with photography, we're happy to see this progress chronicled in such a heartwarming image as the one above.

But we're even more pleased to note what the image represents: the efforts of UNICEF and the many governments, non-governmental organizations, and

individuals who are working to improve the education, nutrition, and health of children throughout the world.

UNICEF's mission is to promote global well-being through local development. Its vision is a world where all children are protected.

At Canon, our vision is much the same. Because we, too, are a worldwide organization that believes in living and working together for the betterment of all people. Through local and

individual empowerment. Through social and ecological responsibility. Through constant efforts to improve the quality of life. Because we, too, believe the world can and must protect and nurture its children.

And we're sharing this space in the hope that more people will support UNICEF and its work, and that more children will be able to raise their hands.

Not just to answer their teacher's questions. But to embrace the opportunities that await their minds.



Canon







## The New 'Interactive' Boeing 777

By Roger Collis  
International Herald Tribune

UNITED Airlines is looking for a big boost to business with the new wide-body Boeing 777 — which made its global debut with United Wednesday between London and Washington — thanks to "state-of-the-art passenger comfort and facilities" such as the highest ceilings and biggest overhead storage bins in the sky, plus "interactive" video systems (with 5.7-inch color LCD screens at every seat), in-flight audio and video channels, video games, electronic shopping, and the last word in satellite telecommunications. Oh, yes, and "a third more fresh air than other planes" (assuming pilots don't shut down air-conditioning packs to save fuel) plus wider, more comfortable seats, even for folks in the back of the plane.

United's 777s will initially fly London-Washington, Chicago-Frankfurt, Denver-Chicago and Chicago-Washington with 292 seats in three classes: Economy has 231 seats with a 31-35-inch seat pitch and 18.5 inches wide in a 2-2-2 layout; business class has 49 seats with 49-inch pitch and 20 inches wide in a 2-3-2 layout; and first class has 12 seats with 64-inch pitch and 21.5 inches wide in a 2-2-2 layout. If you want to try the 777 in the next two years, you'll either have to fly United or a foreign line, such as British Airways or Japan Airlines.

State-of-the-art inflight entertainment systems, including live radio and TV, and satellite telecommunications, ergonomically designed seats, enhanced service, and above all more space, in spitting new aircraft are crucial factors in the airlines' frantic attempt to lure recession-hit business travelers out of economy and back to the front cabins.

The stakes are high. Business travelers account for around one-third of passengers, but two-thirds of revenues. Downsizing has led to a calamitous decrease in airlines' profit per mile per passenger. Major airlines have had "yield-blitz" of up to 30 percent over the last two years.

The fall-back is due to cabin-hopping — from first to business class, and from business to economy. According to the 1994 Air Travel Survey of 1,025 frequent long-haul travelers, published by IATA, while travelers continue to report decreased travel budgets, nearly a third said they were

traveling more. For airlines, the issue is how to recapture high-yield business passengers who are traveling or spending less.

I suppose some people can think of a galaxy of entrepreneurial reasons for shelling out \$5,000 (\$8,000) for a round-trip Concorde ticket to New York when a full economy ticket is less than \$900. But I'd prefer to think of entrepreneurial uses for the \$4,000 I save by not flying Concorde.

Cutting fares for high-yield passengers is

### The Frequent Traveler

a slippery slope for airlines; instead they have added more and more frills to try and justify the price of the ticket while at the same time managing to debase the class system with a blizzard of promotions and deals.

First class, costing up to twice the price of business class (it is only 24 percent to 60 percent more on Asia-Pacific routes), is being replaced on many airlines with a larger, upgraded business class — more comfortable than first class used to be in the 1970s — with jumbo reclining seats (up to 60 inches of legroom), better meals served with real china, cutlery and glass, more drinks than you can safely manage, and more electronic gizmos than you can possibly figure out how to use. Plus the run of an airline lounge, "fast-track" channels through immigration, limo transfers at either end, and valet parking. Plus bonus miles.

British Airways was first with an arrivals lounge at Heathrow where first- and business-class passengers could spruce up and get their act together. It was swiftly copied by Virgin, American Airlines and United.

Virgin Atlantic's Upper Class — which provides fully-reclining sleeper seats with 60-inch pitch, and the amenities and comforts of first class at business-class prices, was the prototype for other airlines abandoning first class.

Continental's BusinessFirst and Air Canada's Executive First aimed to combine first and business in a double-size business cabin. Both feature sleeper seats with a 55-inch pitch; KLM, Northwest and TWA have abandoned first class for a "premium" business class. SAS, which abolished first class in 1989, has fitted the front rows of business class with 12 sleeper seats with 50-inch pitch, for which you pay a premium of \$300 one way.

But first class is alive and well with other

airlines, especially Asian carriers. Seat pitch is typically 60 to 62 inches and a 70-degree angle of recline, which allows you to stretch out almost horizontally across five windows. Ansett Australia makes its presence felt at the top of the market with an 80-inch seat pitch. Only the Taiwanese carrier EVA Air's 75-inch seat pitch comes close. Ansett offers arm-rest video monitors with a choice of 40 movies, plus meals served by a proper in-flight chef, not just someone in an apron. Cathay Pacific spent \$10 million refurbishing first class on its new Airbus fleet. British Airways offers first-class passengers a Sleeper Service on overnight flights of less than nine hours. You are given pajamas, and your sleeper seat is made up with sheets, quilt and a full-size pillow.

Avia Airlines, which started flying between Johannesburg and London a month ago, promises superior service in three classes in competition with the BA/SAA duopoly with fares around 20 percent lower. Avia claims that its 747SP shaves 40 minutes off the current flying time of BA and SAA's 747 400s.

FULL economy is probably the worst buy in the sky — unless you plan to use it for an upgrade. If you've got to sit in sardine class it makes sense to shop for the cheapest fare. Many airlines are downgrading economy to ultratight 10-across seating and 31-inch seat pitch — which makes business class almost seem like good value.

If you cannot upgrade to a better class of cabin, try to upgrade to better equipment, like the Airbus 340 or the Boeing 777 with high-tech amenities.

Experienced travelers know that there are only two kinds of plane — empty planes and full planes. You can put up with even the worst airline seating if you're next to an empty seat. Whatever the seat pitch, nothing beats stretching out across four seats in economy. Failing that, try to sit behind an empty seat, push the seat-back forward and stretch your legs over it. Couples can sometimes beat the system by asking for an aisle and a window seat in a three-seat row. There's a good chance the middle seat won't be taken. On a wide-body plane you can increase the odds of having an empty seat next to you by asking for an aisle seat in the center section.

What you're really paying for in first and business class is space and privacy.

## GOOD TRAVEL DEALS

Carrier/Hotel	Location	Deal
AIR CANADA	Toronto to Tel Aviv	Aeroplan members earn double miles on any flight, any fare. A round-trip flight in business class earns you 25,992 miles, enough for an Air Canada award ticket for travel within North America. From June 20 to July 31.
AIR FRANCE	Europe	Frequence Plus members earn double miles for flights between Strasbourg and Hamburg, Berlin or Munich. Until June 30.
AIR NEW ZEALAND	Asia/Europe	Air Points members flying first or business class earn double points between New Zealand or the Pacific Islands and London or Frankfurt. Until July 31.
GRAND HYATT ERAWAN	Bangkok	"Bangkok Summer Package" from \$350 per single for two nights includes limo transfers, American breakfasts, use of spa facilities, shopping discounts, and check-out till 6 P.M. Until Sept. 30.
HOLIDAY INN GOLDEN MILES	Hong Kong	Summer package for 1,260 Hong Kong dollars (\$160) per room per night includes airport transfers, health club and breakfast for two. Children under 19 sharing with parents stay free. Until Aug. 31.
INTER-CONTINENTAL	Asia/Pacific	"Seasonal Spectacular Package" offers discounts of up to 40 percent at 16 hotels in Asia. Rates include American breakfast for two with taxes and service. Examples: \$86 a night at Forum Hotel, Shenzhen; \$212 a night at Taj Inter-Continental, Bombay, and \$188 a night at Inter-Continental, Sydney. From June 16.
INTER-CONTINENTAL	Europe	"Summer Spectacular" promotion offers reductions up to 50 percent at 47 Inter-Continental and Forum hotels in 35 cities. Sample rates (double or single) including American breakfast, service and taxes: \$103 at the Forum, Hamburg; \$279 at the Inter-Continental, Paris, and \$299 at the Amstel, Amsterdam. June 16 to Sept. 11.
MANDARIN HOTEL	Singapore	Special "Mandarin Club" rate of 310 Singapore dollars (\$220) per room per night (plus 14 percent tax and service) includes limo airport transfers, breakfast, butler service, cocktails and express check-in and check-out.
LE MERIDIEN	Europe	"Summer Passport" promotion offers up to 50 percent discounts for minimum two-night stays, single or double, with taxes and service, at 19 properties. Until Aug. 31.
MOVENPICK HOTEL	Beijing	Rooms for \$80 a night include upgrades when available and shuttle to airport and downtown. Until Aug. 31.
PALACE HOTEL	Beijing	"Share the Experience" package gives 32 percent discount on "deluxe" rooms and 20 percent off on all suites. Until Sept. 15.
RADISSON SAS LAN SHENG HOTEL	Shanghai	"Business Class Package" for \$140 for single or \$150 double per night includes buffet breakfast, limo airport transfers, downtown shuttle, use of health club and dry cleaning of one suit or dress during stay and late check-out. Until Aug. 31.
REGENCY HOTEL	London	"London Summer Season" package for £89.50 (\$140) per person per night sharing a double room for minimum two nights includes English breakfast, parking, use of health club, sauna and pool. Until Sept. 3.
ROYAL HOLIDAY INN CROWNE PLAZA	Singapore	Executive package for 210 Singapore dollars (\$150) per single includes breakfast, local phone calls and faxes, pressing of one suit or dress per stay, 10 percent discount on business center, and late check-out. Stay four nights and get the fifth night free. Until Sept. 30.
TIM HOTELS	Paris	Two people can stay for two nights for 1,000 francs (\$200) in any of 14 Tim Hotels in central Paris. Deal includes a welcome bottle of champagne, buffet breakfast, entry to museums, and local rail

Although the IHT carefully checks these offers, please be forewarned that some travel agents may be unaware of them, or unable to book them.

## THE ARTS GUIDE

### BELGIUM

Antwerp  
Museum 47, tel: (3) 227-4358, June 30: "Cobra, 1945-1955." 100 works by artists who belonged to the COBRA group. Includes works by Arco, Jom, Carl-Henning Pedersen, Alechinsky, Pol Bury, Karel Appel and Comella, among others.

### BRITAIN

London  
Barbican Art Gallery, tel: (171) 589-9023, open daily. To Aug. 28: "George Rodger: A Photographic Journey." A survey of the work of a pioneer of international photojournalism. More than 250 photographs, divided into sections entitled The Blitz, The War in Europe, Assignments, and Africa, represent the photographer's passion for travel.

### CANADA

Montreal  
Musée des Beaux-Arts, tel: (514) 285-1800, closed Mondays. To Oct. 15: "Parade Perdue et l'Europe Symboliste." 500 paintings, drawings, watercolors, sculptures and photographs document the Symbolist movement at the end of the 19th century. Includes works by Gustave Moreau, Maurice Denis, Odilon Redon, Munch, Rodin and Mucha.

### FRANCE

Paris  
Centre Georges Pompidou, tel: (1) 44-78-12-33, closed Tuesdays. Continuing to Aug. 21: "Constantin Brancusi." Also, to Sept. 4: "Ilya Kabakov: C'est ici que nous vivons." 19 installations merging into an unfinished architectural project can be seen as a metaphor of the utopian rise and sudden fall of communism. Musée d'Art Moderne de la Ville de Paris, tel: 40-70-11-10, closed Mondays. Continuing to Sept. 17: "Chagall, les Années Russes, 1907-1922."

### GERMANY

Frankfurt  
Schirn Kunsthalle, tel: (69) 290-982, open daily. To Aug. 20: "Okulismus und Avantgarde: Von Munch bis Mondrian." The invisibility of the soul and the relationship between man and cosmos are explored in works by Kupka, Kandinsky, Lurich, Malevich, Delaunay and Mondrian.

### ITALY

Florence  
Istituto degli Innocenti, tel: (55) 247-7952, open daily. To June 24: "L'Inferno dalla Divina Commedia di Dante Alighieri: Altarelli in Mar-



A 1940 war scene by George Rodger, shown in London.

Resina di Robazza." 18 large marble and resin high-reliefs by Benedetto Robazza representing Dante's descent into the underworld.

Genoa  
Palazzo Ducale, tel: (010) 562-440, closed Mondays. To July 30: "Il Tempo delle Illusioni: Arte Russa degli Anni Venti." Documents the influence of the European Metaphysical movement and the German Magic Realism on the works of Deledda, Dondolotto, Shenderov, Pakulin and Pakhomov.

### JAPAN

Tokyo  
Tobu Museum, tel: (03) 53-91-32-20, closed Wednesdays. To June 25: "The World of Brueghel." 47 works by the Brueghel family including five drawings by Pieter the Elder.

### NETHERLANDS

Amsterdam  
Rijksmuseum, tel: (20) 673-21-21.

June 25: "Contemporary Spanish Sculpture and Drawings." Works by 30 Spanish artists including Picasso, Miró, Dalí, Girs and Torres-Garcia.

### SPAIN

Bilbao  
Museo de Bellas Artes, tel: (94) 424-27-99, closed Mondays. To July 15: "The Tradition of the New Masterpieces from the Guggenheim Collection, 1945-1990." 50 paintings, sculptures and photographs by artists such as de Kooning, Pollock, Warhol, Dubuffet, Tapes, and Gilbert and George.

### SWITZERLAND

Geneva  
Musée Ariana, tel: (22) 734-2950, closed Tuesdays. To Sept. 18: "Verre de Venise: Trésors Inédits." The history and development of Venetian glass from the 16th to the 20th century.

Lugano  
Villa Favorita, tel: (91) 51-61-52, open Fridays, Saturdays and Sundays. To Aug. 12: "Baghdad to Isfahan: Islamic Painting and Calligraphy from the Russian Academy of Sciences, St. Petersburg." 200 items spanning 1,000 years of Islamic art and culture, including rare books and manuscripts, as well as Persian and Mogul miniatures from the 15th to 17th century.

### UNITED STATES

New York  
Solomon R. Guggenheim Museum, tel: (212) 423-38-40, closed Thursdays. To Sept. 17: "George Baselitz." Spanning three decades of the artist's career, this large-scale exhibition includes approximately 100 paintings and several major sculptures.

Washington  
National Museum of African Art, tel: (202) 357-2700, open daily. To Sept. 4: "Ancient Nubia: Egypt's Rival in Africa." The Nubian and Egyptian civilizations which flourished along the Nile river are the two oldest known in Africa. This exhibition displays 300 Nubian objects dating from 3100 B.C. to 400 A.D.

Don't miss the upcoming  
Special Report on

## AVIATION

in the Monday, June 12  
(Part I) and in the Tuesday,  
June 13 (Part II) editions  
of the newspaper.

INTERNATIONAL  
Herald Tribune  
THE WORLD'S DAILY NEWSPAPER

## LIVING IN THE U.S.?

Now printed in New York  
for same day  
delivery in key cities.

To subscribe, call  
1-800-882-2884  
(in New York, call 212-752-3890)

INTERNATIONAL  
Herald Tribune  
THE WORLD'S DAILY NEWSPAPER

# Explore the world from Toulouse via the



On June 13th,  
the International Herald Tribune expands its worldwide  
distribution with the opening of its 12th printsite, in Toulouse, France.  
This enables early morning delivery on the day of publication  
in the entire southwest region of France.

THE WORLD'S DAILY NEWSPAPER





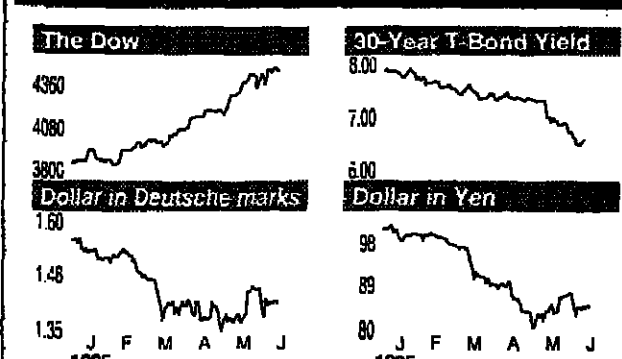






## THE AMERICAS

## Investor's America



Exchange	Index	Thursday Close	Prev. Close	% Change
NYSE	The Dow	4468.57	4462.03	-0.08
NYSE	S&P 500	582.35	583.13	-0.15
NYSE	S&P 100	605.75	606.38	-0.12
NYSE	Composite	286.44	286.96	-0.18
AMEX	Nasdaq Composite	885.15	881.17	+0.45
AMEX	Market Value	489.52	488.57	+0.21
Toronto	TSE Index	4479.90	4476.30	+0.06
Sao Paulo	Bovespa	36772.0	36242.00	+1.39
Mexico City	Bolsa	1979.73	1990.25	-0.53
Buenos Aires	Merval	404.02	402.87	+0.29
Santiago	IPSA General	6092.67	6136.99	-0.75
Caracas	Capital General	1218.88	1220.82	-0.97

Source: Bloomberg, Reuters

International Herald Tribune

## Very briefly:

## Rockefeller Center Denies Control

NEW YORK (Bloomberg) — Shareholders of Rockefeller Center Properties Inc., which holds a \$1.3 billion mortgage on the bankrupt Rockefeller Center, on Thursday denied Goldman Sachs & Co. control of the company.

By a wide margin, shareholders voted down a proposal to waive a 9.8 percent limit on the stake that any one shareholder may own. The move blocks Goldman Sachs's Whittier Street Partnerships from converting its warrants and stock appreciation rights into an equity stake of 19.9 percent in the company. The Goldman partnerships received the securities in exchange for a \$225 million investment in the company in December.

## Suit Accuses Grace of Tax Evasion

WEST PALM BEACH, Florida (Bloomberg) — W.R. Grace & Co. set up a reserve fund that it used to avoid paying federal taxes owed by its health-care unit, the company's former audit chief has alleged in a lawsuit.

Norman Eatough, fired from his position last year, said the company's National Medical Care Inc. subsidiary failed to declare income set aside in the fund. The accusation was made in an age-discrimination suit filed in U.S. District Court here.

United States Shoe Corp.'s president and chief executive resigned, less than a month after his company was acquired by Luxottica Group SpA, an Italian eyeglass frame maker.

UAL Corp., the parent company of United Airlines, is transferring 245 maintenance jobs to Indianapolis this month as part of a 10-year plan to eliminate 2,000 positions at San Francisco International Airport.

## Lotus Bid Brings Out Speculators

By Peter Truell

New York Times Service

NEW YORK — IBM's hostile bid for Lotus Development Corp. has buoyed the spirits of the professional investors known as arbitrageurs, who seek to profit from mergers and takeovers. Arbitrageurs are snapping up shares of Lotus in anticipation of a higher bid for the software company.

Lotus's share price has soared since International Business Machines Corp. announced its \$3.3 billion bid, closing Thursday at \$63.50 — well above the offer price of \$60 a share. The arbitrageurs, or arbs, are clearly betting on a higher bid.

"This could very well be the deal of the

year for the arb community if there's a bidding war," said Eric A. Longmire, director of research at Wyser-Fratt & Co., a money management concern and a big arbitrage investor.

Even if IBM does not pay more, many arbitrageurs are betting that Lotus's best defense has to be to find another, probably higher, bidder.

"I would assume the search is on to find a third party," said Peter Schoenfeld, vice chairman of Wertheim Schroder & Co. Several arbitrageurs quickly rattled off a familiar list of other bidders that might be interested in Lotus, AT&T Corp., Hewlett-Packard Co. and Oracle Systems Corp. are among the potential suitors.

The interest in Lotus among professional investors has helped raised the trading

volume of the company's stock as institutions and individual investors have taken profits on their holdings and sold, often to arbitrageurs who typically manage tens or hundreds of millions of dollars. On Monday, the day IBM announced its bid, as many as 29.8 million Lotus shares traded, on Tuesday 9.5 million Lotus shares changed hands and Wednesday trading volume totaled 6 million.

The arbitrageurs have found many willing sellers: Those who held Lotus shares are pleased to realize profits of as much as 100 percent and more. Last week shares of Lotus traded at around \$30.

"The institutions have been selling," said Mr. Longmire. "The institutions just want their sale out."

## SpectraVision Files Under Chapter 11

Bloomberg Business News

WILMINGTON, Delaware — SpectraVision Inc., a provider of in-room movies for hotels that emerged from bankruptcy in late 1992, filed for Chapter 11 protection Thursday in a U.S. bankruptcy court.

The company, based in Richardson, Texas, lost \$254 million last year and has continued to stagger under a long-term debt load of \$546.4 million, which includes bonds issued in the last reorganization.

Marvin Davis, the investor who bought the company in 1989 for \$60 million and the assumption of \$700 million in debt, is likely to lose his stake in SpectraVision

entirely in this bankruptcy. In the last restructuring, Mr. Davis put up another \$25 million in order to hold onto 31.5 percent of the company.

In recent restructuring talks, SpectraVision has proposed giving the company's common stock to bondholders and Electronic Data Systems Corp., a creditor.

A company spokesman said SpectraVision had filed for Chapter 11 protection so that it could obtain debtor-in-possession financing to run the company while it negotiates with its creditors. It will seek court approval to pay its trade creditors in the normal course of business.

The total owed to outside creditors was not apparent from the Chapter 11 petition filed by SpectraVision and its four units because the listed assets and liabilities included a mixture of bond and trade debt and inter-company debt.

SpectraVision listed assets of \$512 million and liabilities of \$521.7 million. SpectraVision supplies in-room, pay-per-view entertainment and information services to hotels in the United States, Canada, Mexico, Australia, the Caribbean and the Pacific Rim.

The company said its Canadian and Hong Kong operating companies would be unaffected.

## Dollar Slumps as German Rate-Cut Hopes Fade

Compiled by Our Staff From Dispatches

NEW YORK — The dollar slumped against the Deutsche mark on Thursday after remarks from Bundesbank Vice President Wilhelm Gaddum dampened expectations that the German central bank would lower interest rates soon.

Speaking at a conference in Frankfurt, Mr. Gaddum said that while the stronger mark was "lightening the pressure on producer prices," he "wouldn't go so far as to say inflation isn't a risk anymore."

The dollar closed in New York at 1.4083 Deutsche marks, down from 1.4144 DM on Wednesday, and at 84.645 yen, down from 84.900 yen. It also fell to 1.1615 Swiss francs from 1.1642 francs and to 4.9515 French francs from 4.9675 francs. The pound fell to \$1.5965 from \$1.5895.

He added that the Bundesbank was

not let its policies be dictated by market expectations of an interest rate cut.

"Mr. Gaddum's comment that the Bundesbank should not be too quick to satisfy the market's call for a rate cut" weighed on the dollar, said Dennis Pettit,

## Foreign Exchange

foreign exchange manager at Long-Term Credit Bank of Japan in New York.

His comment came a day after Bundesbank President Hans Tietmeyer fueled expectations of a German rate cut when he said the central bank's next move would not be to raise interest rates.

Mr. Tietmeyer's comments, along with remarks from Federal Reserve Chairman Alan Greenspan, drove the dollar higher in Asian trading. Mr. Greenspan said late Wednesday that the chances of a severe

economic downturn in the United States had "decreased very significantly."

The dollar rose to a four-day high of 1.4236 DM in Asia in the wake of the central bankers' remarks. But investors who had bet the U.S. currency would extend its gains reversed those wagers after the momentum of the dollar's rise faded early in Europe, analysts said.

Traders said Mr. Gaddum's comments had dispelled expectations of a German rate cut at the next meeting of the central bank's policy-setting council Wednesday.

The dollar's decline was stemmed by concern that officials from the Group of Seven leading industrial nations could come up with plans to shore up the U.S. currency when they meet in Halifax, Nova Scotia, for three days starting Thursday.

## FED: Leaders Differ Over Dangers

Continued from Page 13

ment the other way — probably as he intended.

Mr. Blinder reiterated his concerns in an interview with Knight-Ridder news service that was released Thursday. Although he said he did not expect a recession, he said economic growth had slowed from the 2.7 percent annual rate of the first quarter.

"There's some worry that it will be an excessive slowdown,"

## U.S. Stocks

he said, "and that's exactly what I mean about downside risks."

Mr. Greenspan's remarks initially sent a chill through the bond and stock markets, which had been betting on lower interest rates. But they took heart Thursday and stabilized with the release of the weekly report on new claims for unemployment.

The Labor Department reported 372,000 new claims in the previous week, a slight decline from the 379,000 of the week before, a figure that itself was revised downward by 10,000. The four-week moving average of new claims was 374,500, admittedly about 10,000 higher than a month earlier but only 1,000 worse than the previous week's revised moving average.

"I don't find the current numbers disturbing in any way," said Robert Brusca, a chief economist at Nikko Securities Co. "It plays right into Greenspan's hands."

The long-distance exchange between Mr. Greenspan and Mr. Blinder capped a day of public statements by other Fed officials that gave a fairly strong clue to the likely debate when the Federal Open Market Committee meets July 5 and 6 to discuss monetary policy for the second half of this year.

Fed Governor Edward W. Kelley Jr. described the economy as strong but said recent declines in auto sales were "scary" and job losses in May had been worse than expected.

By contrast, Edward G. Boehne, president of the Federal Reserve Bank in Philadelphia, was more upbeat.

The argument between the Republican Mr. Greenspan and the Democratic Mr. Blinder turns on the question of whether the economy is pausing to reduce inventories before resuming growth later in the year or whether it will remain sluggish as business and consumers bly tipping into a recession?

Mr. Greenspan argued that the slowdown in the current quarter was caused by a buildup of goods in manufacturers' warehouses and on retailers' shelves. But he said that excess was natural in light of the ordering spree that went on during excessively high growth last year. In any case, he rated the buildup of inventory as "still rather modest," saying it was very unlikely that it would cause a recession.

## Stocks Little Changed

Stocks drifted lower Thursday, after a decline in the bond market and as traders awaited the May producer price report due Friday, news services reported from New York.

The Dow Jones industrial average closed down 3.46 points, at 4,468.57, with decliners edging advances 11-to-10.

Philip Morris pulled the Dow down, closing down 1 1/4 at 71 1/4, following a New York Times report on what it described as previously undisclosed research that indicated that the company had found that nicotine affects the brain, body and behavior of smokers.

But shares of semiconductor and software companies continued to rally on optimism that demand for their products will remain strong no matter how the economy fares. Intel rose 11/16, to 113 1/16.

"People are consuming more technology every single day," said Charles Crane of Spear, Bess, Kohn & Farrel Inc.

But the technology issues' gains were offset by concern about the economy, much of it sparked by Mr. Greenspan's comments.

Those concerns dragged down the bond market, with the price of the benchmark 30-year Treasury bond falling 3/32, to 113 5/32, lowering its yield to 6.60 percent from 6.55 percent Wednesday.

(Bloomberg, Reuters)

## WORLD STOCK MARKETS

Thursday, June 8

Prices in local currencies

Tel Aviv

High Low Close Prev.

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

ABN-AMRO

Frankfurt

High Low Close Prev.

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

AMIS

Johannesburg

High Low Close Prev.

Anglo-American

Anglo-American

Anglo-American

Anglo-American

Anglo-American

Anglo-American

Anglo-American

Anglo-American

Anglo-American

Anglo-American

Anglo-American







# China Again Asks Oil Firms to Bid On Tarim Basin

Compiled by Our Staff From Dispatches

BEIJING — China announced details of its yearly round of bidding for oil-exploration tracts Thursday, in a crucial test of Western companies' patience after lackluster results in the previous two rounds.

Wang Tao, president of China National Petroleum Corp., said the 1995 round would officially open Friday for 12 blocks covering 112,739 square kilometers (43,596 square miles) in the Tarim and Junggar basins in Xinjiang Province.

"This bidding will be very promising in terms of exploration," Mr. Wang said.

Foreign companies will have the option of buying data packages for the separate blocks between June 19 and Aug. 31, after which the actual bidding will begin.

Oil companies' interest in the Tarim Basin, once called the Saudi Arabia of the Orient, has fallen off because of the cost of operating in harsh desert conditions and the potential problem of transporting crude oil if it is found.

Official Chinese estimates put total reserves in the Tarim Basin at more than 70 billion barrels.

The three companies that took up options in the Tarim in 1993 — British Petroleum Co., Esso AG, the German unit of Exxon Corp., and the Italian state company Agip SpA — have yet to produce a drop of oil. The response to this year's offer will reflect the extent to which international interest in the area has dwindled.

Under terms offered by China, the foreign companies bear 100 percent of the exploration risk, but China National Petroleum reserves the right to a 51 percent stake if oil is found.

Officials from foreign companies said privately that the blocks did not look much better than in the two previous years. "They are worse than we expected," said a geologist with a major oil company. "They are in the most remote areas of Tarim Basin, for instance, and would have to produce a huge field to be commercially viable for us."

Some executives were hopeful. "We're definitely interested," said Scott D. Urban of Amoco Orient Petroleum Co. "These blocks are close to known oil fields."

# Music Channels Enlist Big Allies

By Richard Covington  
Special to the Herald Tribune

HONG KONG — Peter Jamieson, MTV's man in Asia, circled warily around his arch-rival, Don Atieno, general manager of the music service Channel V.

"Don has lambasted MTV Asia for being about as local as McDonald's," Mr. Jamieson said at a recent Asian music market and conference here. "I'll bet Channel V was a lot closer to a Big Mac than rice congee when it started a year ago. Yes, we are vulnerable, but it won't help either of us being publicly derogatory. We need time, and we need your help."

Ignoring the olive branch, Mr. Atieno of Channel V just grinned, pursing his lips disapprovingly at the barrage of video clips rounding out Mr. Jamieson's presentation.

MTV Asia, controlled by Viacom Inc. of the United States, is locked in a bitter fight with Channel V, which is controlled by News Corp., the Australian media giant run by Rupert Murdoch.

In their battle over a market of more than 1 billion potential viewers under age 25, the two music channels have enlisted major record companies as allies.

In some instances, these alliances are at odds with similar partnerships elsewhere in the world. In Britain, for instance, News Corp. has a stake in the Nickelodeon channel, which is run by MTV Networks.

MTV Asia's two new channels — a pan-Asian service in English beamed from Singapore and a Mandarin-language one broadcast from Taiwan — are run by a joint venture between Viacom and Polygram NV of the Netherlands.

But in Europe, Viacom has filed an antitrust complaint with the European Commission against PolyGram, as well as Sony Corp., Thorn EMI PLC and Warner Music International.

Those four companies are major shareholders in Viva, MTV Europe's principal rival. Viacom charges that they are withholding music videos from MTV Europe.

The same battle could be set to take place in Asia. Sony Pictures Entertainment (Japan) Inc., Warner Music Group, EMI Music Ltd. and BMG Ariola Musik

**MTV Asia, controlled by Viacom Inc., is locked in a bitter fight with Channel V, controlled by News Corp., the Australian media giant.**

GmbH, a unit of Bertelsmann AG, have invested about \$50 million for a combined 50 percent share in Channel V. "We're watching the big four record companies invested in Channel V very closely to ensure they are not refusing videos to MTV," said William Roedy, president of MTV Networks International. "If they did deprive us of their videos, it would be a short-term gain at the expense of long-term losses."

Both music-video services strenuously denied favoring their respective partners. "We were forced into the venture with PolyGram as a defensive measure

against the forces ranged against us," said Mr. Jamieson, the president of MTV's two Asian channels. "But it would be death for us to play only PolyGram artists."

Mr. Atieno of Channel V said, "I'm sure our record company partners would want us to play their big names, but they have no creative control whatsoever on our programming."

The record companies would gain little by sacrificing video exposure of their artists to a competing network. "Our self-interest is to have as many thriving music TV services as possible," said Paul Ewing, Southeast Asian regional director for Warner Music International.

MTV Asia was on the STAR TV network, Asia's biggest satellite broadcaster, until May 1994. The two companies broke off a two-and-a-half-year relationship after a dispute over revenue-sharing and management control. News Corp., which controls STAR, decided to create a music channel of its own. Channel V was born. After a year on the sidelines in Asia, MTV is back in the running with its Mandarin channel aimed at viewers in Taiwan, Hong Kong, Singapore, China and 16 other countries. A separate English-language channel reaches the Philippines and Indonesia.

MTV also broadcasts some programs in Korean and Hindi. All told, MTV Asia's programming reaches around 20 million homes in about 30 countries, according to network figures.

The STAR network says it offers Channel V free of charge to 220 million viewers in 53 countries in Asia and the Middle East. The service is tailored for three separate audiences and broadcast over independent satellite beams.

# Hanoi's First Treasury-Bill Sale Exceeds Forecast

Reuters

HANOI — Vietnam held its first auction of domestic treasury bills Thursday, selling \$3.6 billion (or \$7.6 million) of the securities, 39 percent more than planned.

The State Bank had aimed to sell 60 billion dong of six-month bills, but banks demanded more.

"It is successful because we managed to reduce the interest rate, and the total sale was more than planned," said Phung

Khai, director of the State Bank's credit department, which organized the auction together with the State Treasury.

Thirty banks, including three joint ventures and four foreign branches, submitted sealed bids for bills in denominations of 10 million dong, 5 million dong, 2 million dong and 1 million dong.

The winning interest rate was 18 percent a year, Mr. Khai said. The bills sold at auction will replace existing six-month treasury bills, which carried a fixed

interest rate of 1.7 percent a month. The government stopped issuing them in April. Deputy Finance Minister Le Thi Bang Tam said.

Vietnam currently issues one-year and three-year treasury bonds with an annual interest rate of 21 percent, she added.

Organizers said there were eight winning bidders: one state-owned commercial bank, two joint-venture banks, one

foreign bank branch and four joint-stock banks.

Of the total, 60 billion dong went to the state-owned Bank for Foreign Trade of Vietnam, or Vietcombank, Vietnam's biggest bank, and 10 billion dong was bought by Dai Nam joint-stock bank.

Vietnam wants to auction T-bills totaling 300 billion to 400 billion dong toward the end of the year for general development spending.

## Investor's Asia

Hong Kong Hang Seng	Singapore Straits Times	Tokyo Nikkei 225
10000	2400	20000
9000	2200	18000
8000	2100	16000
7000	2000	14000
1994	1994	1994
Exchange Index	Thursday Close	Prev. Close
Hong Kong Hang Seng	9,392.78	9,382.58
Singapore Straits Times	2,175.48	2,179.11
Sydney All Ordinaries	1,968.20	2,015.80
Tokyo Nikkei 225	15,442.30	15,579.62
Kuala Lumpur Composite	1,061.19	1,057.80
Bangkok SET	1,396.79	1,402.39
Seoul Composite Index	890.88	899.36
Taipei Stock Market Index	5,667.02	5,661.58
Manila PSE	2,336.47	2,336.85
Jakarta Composite Index	489.88	495.51
Wellington NZSE-40	2,111.29	2,111.76
Bombay Sensitive Index	3,369.41	3,369.32

Source: Reuters International Herald Tribune

## Very briefly:

• Goodwood Park Hotel Ltd. of Singapore said one of its subsidiaries, Royal Garden Hotel (Jersey) Ltd., would buy the five-star Royal Garden Hotel in London for 143 million Singapore dollars (\$102.7 million) from Rank Holidays & Hotels Ltd.

• United Communication Industry PLC applied to sell 22.7 percent of its cellular-phone network, Total Access Communication PLC, in an offering on the Singapore stock exchange.

• Hyundai Pipe Co. ordered a \$259 million cold-rolled steel sheet plant from a Japanese consortium led by Mitsui & Co. Analysts said the move would put the South Korean company among Asia's steel-industry leaders, pressuring Japanese firms.

• Hong Kong's export volume rose 18 percent in March from a year earlier, while imports grew 22 percent; import prices rose 5.2 percent, while export prices rose 3.3 percent.

• Nikko Research Center Ltd., Daiwa Institute of Research Ltd. and Yamaichi Research Institute of Securities and Economics all lowered profit forecasts for Japan's biggest companies.

• Nikon Corp. plans to increase the amount of supplies it gets from overseas to 50 percent in the year ending March 31, 1997, from 20 percent; it has no plans to expand production abroad.

• Reliance Industries Ltd., in a venture with Nynex Corp. of the United States, has applied for cellular-services licenses in all 20 of India's telecommunications regions.

• China's booming computer industry is expected to make products valued at 50 billion yuan (\$6.04 billion) this year, up 70 percent from 1994, according to the China Electronics News.

• China developed two rockets, Long March III-B and Long March III-C; the larger one can carry satellites weighing as much as 5 tons.

AFP, AP, Bloomberg

## CURRENCY AND CAPITAL MARKET SERVICES

### COMPLIMENTARY REPORTS

**Dynamic Techniques of a Professional Currency Trader**  
These comprehensive reports are mandatory reading for all investors trading, or contemplating trading today's currency markets. Futures to Forex, subjective fundamental to objective technical, self directed to managed, Mr. Catranis and his staff have reviewed it all.

**EXECUTION FROM \$12 PER R/T TRADE**

To receive your free reports and our service guide call toll-free:

Switzerland 155-7133 U.K. 0800-96-4632  
Germany 0130-92-9666 France 0590-2246  
Belgium 0800-1-5880 Denmark 800-61-6132  
Netherlands 06-022-0657 Greece 800-800-11-921-3013

American toll-free: +714-499-8136 (fax) +714-499-8131 (voice)

American toll-free: 800-859-7028 (fax) 800-894-5757 (voice)

American toll-free: 800-859-7028 (fax) 800-894-5757 (voice)

**FOREX CAPITAL MANAGEMENT SENIOR CURRENCY TRADER**

Mr. Catranis is an 18 year veteran currency trader. He has authored numerous publications and software programs for beginners and experts alike. He has researched hundreds of currency programs and translated billions of dollars in real-time trade. Currently he is accepting a limited number of new accounts.

Account minimums: \$10,000 to \$5,000,000 USD, depending on the program.

FOREX CAPITAL MANAGEMENT. Excellence in confidential trading services.

Chicago Mercantile Exchange Center 30 S. Wacker Dr. #1912, Chicago IL, 60606, U.S.A.

24HR FOREX

0171-865 0800

Daily Fax Service

Comprehensive Rates

London Dealing Desk

CURRENCY MANAGEMENT CORPORATION P.O. Box 11019, Chicago IL 60611, U.S.A.

For further details on how to place your listing contact: WILL NICHOLSON in London

Tel: (+44) 71 836 48 02 - Fax: (+44) 71 240 2254

Herald Tribune

THE WORLD'S DAILY NEWSPAPER

**Commodity & Financial History**  
on CD-ROM & DIAL-UP  
• Decades of futures prices - fundamental data similar to that found in the CFB  
• 15 years of historical prices for cash, futures, options & index markets  
• 10 years of fundamental information on over 100 commodities  
• Via V.I.C. download & import end of day prices into your database  
INFORMATION: Binaifer Vakil KR House, 78 Fleet Street, London EC4Y 1HY, UK  
Tel: 44 171 842 4083

**SURGE TRADING S.A.**  
FOREX & FUTURES BROKERS  
surge trading THE SWISS DIFFERENCE

21-23 Rue du Clos, CH-1211 GENEVA 6  
Tel.: (41) 22-7002051 (GEN.) Fax: (41) 22-7002061  
SEE C.V.N. TEXT PAGE 9-9

**INTEKON INTERNATIONAL LIMITED**  
The real real-time financial system that's going to put you ahead of the rest. Costs less to install and has lower fees as well, interested?  
Call 0171 972 9772 or Fax 0171 972 9770 for a demonstration of our winning system.  
151-155 GERRARD ROAD LONDON EC2A 3QE

# Papuans Set Privatization Plans

Agence France-Presse

PORT MORESBY, Papua New Guinea — The government announced a privatization program Thursday for state assets, including its airline and postal service.

Transport Minister Andrew Baing said the statutory authorities would be transferred to private ownership or their

management contracted out by the end of 1995 to ease the government's financial troubles.

The list includes Air Niugini, Post & Telecommunications Corp., Papua New Guinea Harbor Board, Papua New Guinea Electricity Commission and Kalang Radio.

Mr. Baing said the government wanted Air Niugini to be in private hands within a year.

Officials said the government wanted Air Niugini to be in private hands within a year.

Officials said the government wanted Air Niugini to be in private hands within a year.

Officials said the government wanted Air Niugini to be in private hands within a year.

Officials said the government wanted Air Niugini to be in private hands within a year.

Officials said the government wanted Air Niugini to be in private hands within a year.

Officials said the government wanted Air Niugini to be in private hands within a year.

Officials said the government wanted Air Niugini to be in private hands within a year.

Officials said the government wanted Air Niugini to be in private hands within a year.

Officials said the government wanted Air Niugini to be in private hands within a year.

Officials said the government wanted Air Niugini to be in private hands within a year.

Officials said the government wanted Air Niugini to be in private hands within a year.

Officials said the government wanted Air Niugini to be in private hands within a year.

Officials said the government wanted Air Niugini to be in private hands within a year.

Officials said the government wanted Air Niugini to be in private hands within a year.

Officials said the government wanted Air Niugini to be in private hands within a year.

Officials said the government wanted Air Niugini to be in private hands within a year.

Officials said the government wanted Air Niugini to be in private hands within a year.

Officials said the government wanted Air Niugini to be in private hands within a year.

Officials said the government wanted Air Niugini to be in private hands within a year.

Officials said the government wanted Air Niugini to be in private hands within a year.

Officials said the government wanted Air Niugini to be in private hands within a year.

Officials said the government wanted Air Niugini to be in private hands within a year.

Officials said the government wanted Air Niugini to be in private hands within a year.

# Wharf Denies Imminent Sale Of Omni Hotels

Compiled by Our Staff From Dispatches

HONG KONG — Wharf (Holdings) Ltd. said Thursday that it was not holding "serious" discussions with any potential buyer for its Omni hotels in the United States, but it did not rule out such a sale.

The conglomerate has been approached by "a number of parties" that would like to buy the hotels, but "we're not in serious discussions with any parties," said Quinn Y.K. Law, Wharf's financial officer.

His comments followed reports that Smith Barney Inc. last month approached Hospitality Franchise Systems Inc. about buying Omni, which Wharf acquired in 1988.

Mr. Law said the conglomerate had not retained the New York-based securities company to orchestrate any sale.

(Bloomberg, Reuters)

See our Real Estate Marketplace every Friday

# "THE FRONT PAGE 1887-1992"

A BOOK OF GREAT FRONT PAGES FROM THE INTERNATIONAL HERALD TRIBUNE REPORTING THE MAJOR EVENTS OF THE PAST CENTURY.

Reproductions of 150 front pages, many with Herald Tribune exclusive articles, like first-hand reports from the sinking Titanic, the Dreyfus trial, the 1981 failed coup in Madrid, the hurried departure of Marcos from Manila — and the Venice campanile caught in mid-collapse by a Tribune photographer!

Follow coverage of the First World War by one of the few newspapers that stayed in Paris and was virtually edited at the front.

Read about people — Queen Victoria, Lindbergh, Jack the Ripper, the Windsors, Khomeini, Gorbachev — a century of news headlines and the events that surrounded them.

Hardcover, 27 x 35 cm (10.5 x 14 ins), 168 pages, readable-size text. The book is divided into six chronological sections, each with an introduction describing the period from historical and journalistic viewpoints.

THE FRONT PAGE 1887-1992 is a distinctive personal or business gift. Order one — or several — today.

Return your order to International Herald Tribune Offices, 5 Lambton Road, London SW20 0LW, England.

For faster service, fax order to: (+44) 181 944-8243

Please send me \_\_\_\_\_ copies of THE FRONT PAGE.

Price per copy: 1 K£44 (US\$69), each, including postage in Europe. Additional postage outside Europe:

USA/Canada: \$3 (US\$5) per copy.

Rest of world: \$3.50 (US\$13) per copy.

Please allow up to three weeks for delivery.

Herald Tribune

THE WORLD'S DAILY NEWSPAPER

NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

CITY/STATE \_\_\_\_\_

COUNTRY \_\_\_\_\_

Payment by credit card only. Please charge to my credit card:

☐ Access ☐ Amex ☐ Diners ☐ Eurocard ☐ Mastercard ☐ Visa

Card No. \_\_\_\_\_ Expiry date: \_\_\_\_\_

Signature \_\_\_\_\_ Company, Firm, V.A.T. ID No. \_\_\_\_\_



# Herald Tribune

PRINTED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

## 28,606 \$ millionaires get more out of iht.

Our recent reader survey revealed some startling facts about our readers, not least your wealth. On average your household investments are valued at a most impressive US\$ 886,400.\*

You're probably among the majority of readers who value our regular Saturday Money Report and our concise yet comprehensive editorial style.†

Ample evidence, we think, that our pages are a rich vein for both you and the leading financial services companies who advertise with us.

For summaries of the surveys from which these facts are taken, please call, in Europe, James McLeod on (33-1) 41 43 93 81; in Asia, Andrew Thomas on (65) 223 6478; in the Americas, Richard Lynch on (212) 752 3890.

THE WORLD'S DAILY NEWSPAPER



**June 8, 1995**

d SBC DM Short-Term B	DM	1/95/98	Marina Fd 1-1a	5	121
-----------------------	----	---------	----------------	---	-----

E 7

g d s n e g x  
it x a s d  
r a s n f d  
t u e e t  
a h i t  
t e n e  
e d u f y  
c r c s -  
c s s - ) s 1 )

[ : ]

[illegible]



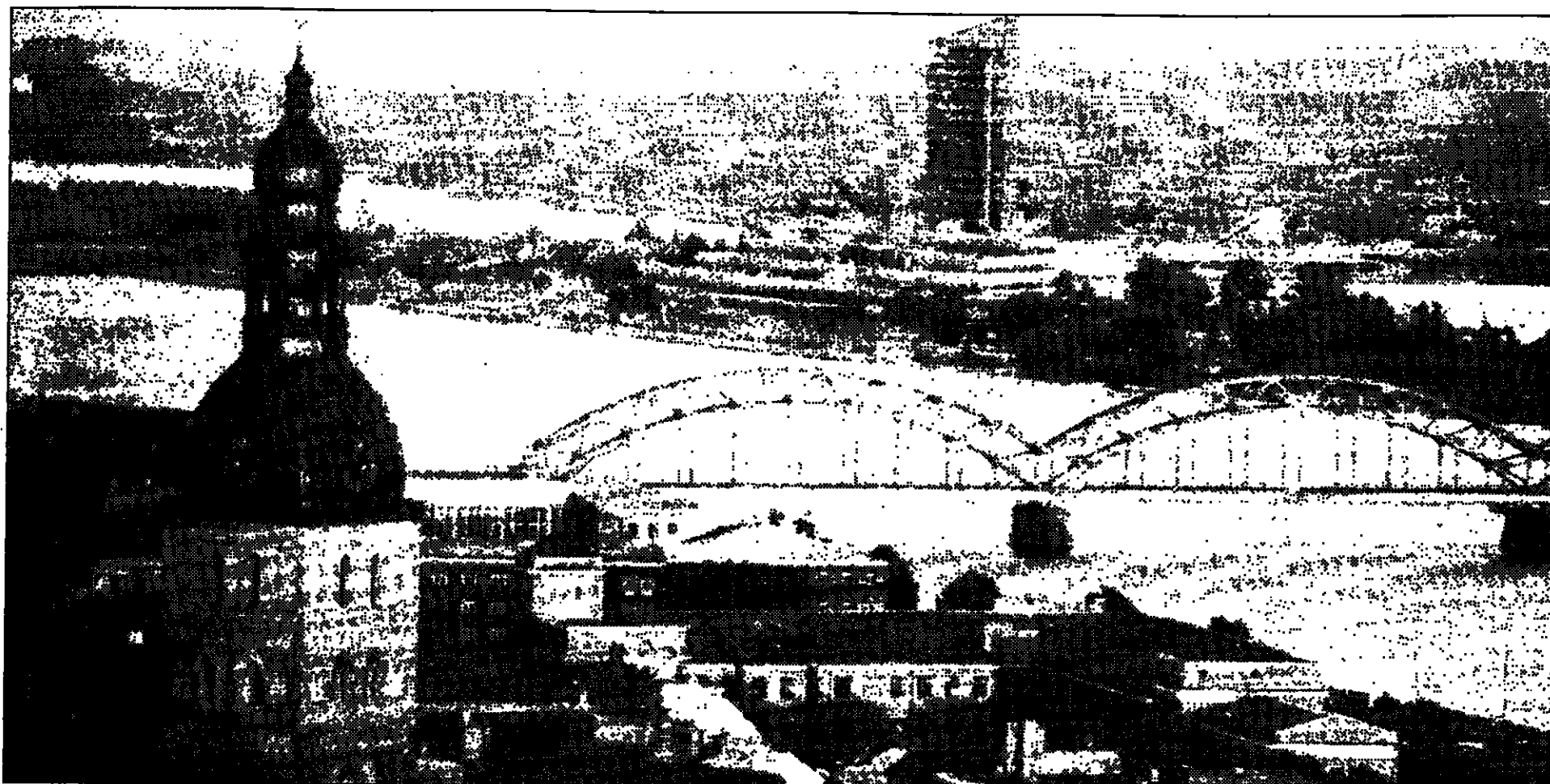
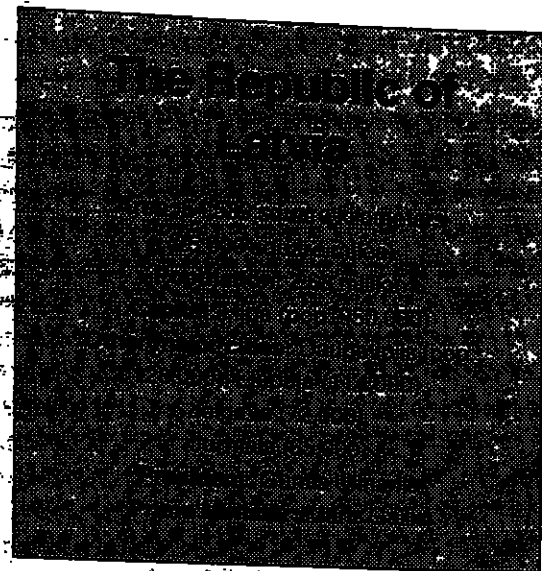




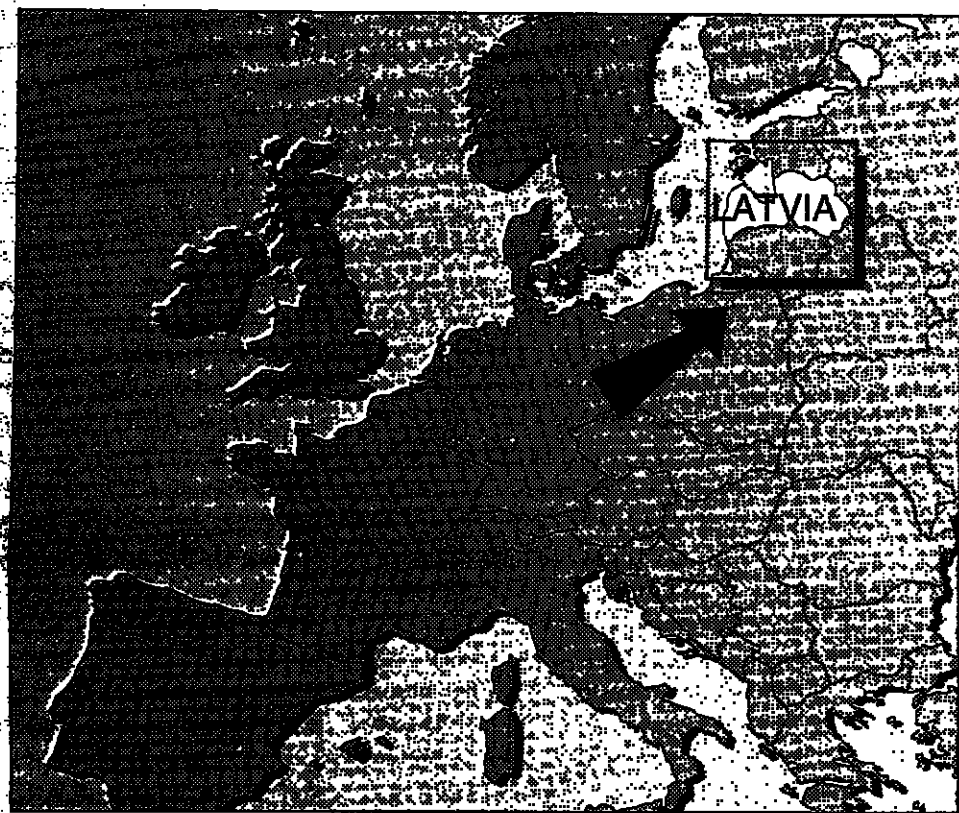
SPONSORED SECTION

SPONSORED SECTION

## LATVIA



After years  
of restructuring,  
Latvia's economy  
grew by about 2.5 percent  
in 1994.  
It is expected to double  
that figure this year,  
making it  
among the leaders  
in Central and  
Eastern Europe.



## PRIME MINISTER PREDICTS STRONG AND STEADY PROGRESS

Born in 1951, Maris Gailis earned a degree in mechanical engineering in 1978. After holding a number of industrial posts, Mr. Gailis entered politics in 1990, serving as director of the international economic relations department of the Latvian government. Over the next four years, he held a variety of ministry-level governmental positions before becoming prime minister in September 1994. As the key economic figures show, it has been a year of progress for Latvia. Yet the country's mood is not as positive as it was in the early days, when Latvia's economic and political situation was highly tenuous. What is the ex-

ing sector] have shown, that assumption is as invalid in Latvia as in any other country. Setbacks are an inevitable part of any country's life. The test of a country's mettle is how it handles these setbacks, whether or not its institutions respond to them in a capable and proper way.

And Latvia's institutions have been responding very well. Two of the guiding features of our system of democracy are a strong parliament capable of articulating concerns and of formulating a broadly based consensus, and a central bank given a great deal of independence in the setting of fiscal policy. Over the past few weeks, the decisive-

In this case, no news has been very good news. The total absence of reports of discontent among ethnic Russians living in Latvia is one very good indicator of the extent of the quiet progress made toward integrating foreign nationals into our society.

As you will remember, our procedures governing the attaining of citizenship set forth three requirements: a minimum period of residency in the country, a proficiency in Latvian and a working knowledge in Latvian history, requirements very similar to those in force in the United States. To help our Russians achieve this proficiency and knowledge, we have set up special educational programs. They have been well-attended, indicating a strong interest in attaining Latvian citizenship. For those non-Latvian citizens wishing to travel during this period of transition, we are providing appropriate documents.

Anytime you care to look in Latvia's economic and cultural life, you will find Russians playing a highly active role, just as Latvians are highly active in the neighboring areas of Russia and Belarus.

The conventional wisdom sees Latvia as settling down to a period of steady, unspectacular growth. Do you endorse this scenario?

Not in the slightest. After years of restructuring and learning, our economy is poised to record significant advances on national and international markets. Our privatization program has reached a new height of activity, and international interest in investing in the program's industrial companies has never been greater.

A number of manufacturers, primarily in the wood- and food-processing and construction sectors, are establishing themselves on national and international markets. We are making steady, strong progress toward further upgrading our relationship with the European Union. Large-scale opportunities are emerging in our energy and transport facility sectors, and specifically in our ports.

Rather than incremental increases, Latvia will be taking major steps forward in the years to come.



'By responding  
decisively  
to recent events, our  
institutions have  
demonstrated the  
underlying  
strength of our  
democracy'  
Maris Gailis

planation for this paradoxical situation?

Perhaps human nature. The last of the past's major struggles – the fight to gain independence, the introduction of a totally new economic form and a new currency – largely came to a successful end three years ago. Since then, we Latvians have experienced a relatively untroubled period of strong political stability and economic and social progress. During this period, an unconscious, unspoken assumption has taken root in our population: that the time of upheavals is gone and will never come back again.

As the recent shake-ups [in the bank-

ness of our parliament and the independence of our central bank have proven the key to the solving of our current problems. By responding decisively to the recent weeks' events, our institutions have demonstrated the underlying strength of our democracy.

One of the controversies of the past was the alleged inability of the Russians (who account for 32 percent of the total population) and other national groups living in Latvia to gain Latvian citizenship. Your government put forward a plan setting forth an orderly transition to Latvian citizenship for citizens of the former Soviet Union. How is it working?

## AFTER YEARS OF NATION-BUILDING, A BOLD MOVE FORWARD

This year is expected to bring significant changes to post-Soviet Latvia.

The six years following Latvia's independence from the Soviet Union have brought breathtaking developments to the country. In 1990 and 1991, the Latvians wrested their independence from the Soviet Union, whose population was hundreds of times larger than that of Latvia and which had an incomparable advantage in military might. In 1992, the newly formed Bank of Latvia launched the Latvian ruble, a move accompanied by a vast restructuring of what had been an appendage of the Soviet economy.

By 1993, the rechristened Lat had become the hardest currency east of the Deutsche mark. Latvia's bank had become Central and Eastern Europe's role model for probity and professionalism, ultra-liberal currency regulations had been put in place and Latvia was in the midst of an unprecedented financial and trade services boom.

The growth of its financial and trade-related service sectors, in turn, allowed Latvia to break the fall in living standards and to tame the hyper-inflation bequeathed to it by the Soviet system.

### Turnaround point

By mid-1994, after only a little more than two years of full-scale restructuring, the magic turnaround point was reached. The country entered the growth column – ahead of many of its counterparts in Central and Eastern Europe, nearly all of which had started their restructuring efforts years prior to Latvia's.

Latvia's latest figures are good, but certainly not dramatic. The figures speak of steady overall economic growth, fiscal stability and several persisting but undramatic problems.

After recording a rise in gross domestic product of 2 percent (according to the IMF) or 2.5 percent (according to Latvia's ministry of finance) in 1994, Latvia looks set to double that figure in 1995, ranking it among the leaders in Central and Eastern Europe.

Latvia's citizens are fully sharing in this growth. Reflecting the breadth of the mid-year turnaround, the country's income and wealth-per-household figures reached new highs in 1994. The rate of unemployment hovered between 6 percent and 7 percent during the year – high for the Baltic region, comfortably low for Europe as a whole.

The real rate of unemployment is probably much lower than that, suggest local employers. "Finding good, qualified workers is getting more and more difficult," states one manufacturer. "Many of them, although officially registered as being out of work, are in fact quite gainfully employed off the books."

### Earned, not purchased

Of equal importance, this growth has been earned, not purchased through deficit spending. According to Latvia's Ministry of Finance, the government's total external debt amounted to a very modest \$345.6 million at the end of 1994 – or about 10 percent of GDP. The federal government's budget deficit came to 1.9 percent of total expenditures, about half of the comparable figure for Germany, putting Latvia

well within the Maastricht guidelines.

This indebtedness is more than counterbalanced by the \$570 million in net foreign reserves held by the Bank of Latvia as of Dec. 31, 1994; the figure represents an all-time high.

Although this wide range of accomplishments has earned Latvia the praise of international economic experts, they advance one major criticism: Latvia has yet to restructure its "legacy economy," the mass of unwieldy and often inefficient industrial enterprises bequeathed to it by the Soviet system. The nub of the criticism concerns the country's privatization program, which has been successful in other areas but has failed to score notable successes in the legacy economy.

### Major restructuring

"Latvia can always subsist on supplying services linking Russia and the rest of the eastern Baltic with international markets," Manfred Meier-Prechany, Latvia's chief economic advisor, said in mid-1994. "To thrive, the country will have to attempt a major industrial and managerial restructuring."

The figures for 1994 confirm his observations. After showing a strong 18

It is too early to tell whether this rise is a temporary aberration or the start of a long-term trend, but one thing has been apparent for months: 1995 will be the year of an uncompromising industrial restructuring.

"By the end of 1996, all of our industrial companies – with a few key exceptions – will have been sold to the private sector, or put into liquidation," says Janis Naglis, head of Latvia's privatization program. "Our program has been in high gear for a bit more than a year. And, as the figures show, the results of this wave of privatization are beginning to make themselves apparent."

### Privatization picks up

An accelerated pace of privatization is just one of the processes at work, according to Mr. Meier-Prechany. "In Latvia, over the past few years, several hundred million dollars of foreign and locally based investment have flowed into newly founded companies, subsidiaries and joint ventures," Mr. Meier-Prechany says. "These are primarily located in such sectors as wood and food processing and light consumer and capital goods. It takes time



Higher incomes: Latvians are sharing fully in the country's economic growth.

percent rise in 1993, exports fell by about that amount in 1994, sending the country's balance of trade – positive over the previous two years – into the red. Powered by a strong performance in the service sector, the country's balance of payments was basically at the break-even point for the year.

The cause of this export drop was an 8 percent fall in industrial output in 1994. According to preliminary published figures, that figure has turned around during the first three months of 1995 – showing, for instance, a 20 percent rise in March as compared with February.

for such investments to work their way through the pipeline, for new plants to be built and existing ones to be re-equipped. The investments of 1992 and 1993 are only now beginning to make their presence felt in the industrial statistics.

Maris Gailis, the country's prime minister, points out that "there is a tremendous awareness throughout Latvia's business and official communities as to how important this restructuring is and what is at stake for the country, as well as a broad-based willingness to do whatever it takes to make the restructuring succeed."

"LATVIA"  
was produced in its entirety by the Advertising Department  
of the International Herald Tribune.  
It was sponsored by the government of Latvia.  
WRITER: Terry Swartzberg is a business writer based in Munich.  
PROGRAM DIRECTOR: Bill Malder.



## DESPITE SETBACKS, GOOD FUNDAMENTALS FIRM UP LATVIA'S FINANCIAL SECTOR

Latvia's banking system has survived the recent crisis.

As the experiences of Credit Lyonnais, Barings, Metallgesellschaft and Jürgen Schneider indicate, this has not been a particularly good year for international banking.

Latvia would seem to be the latest addition to this long list. In mid-May, the Latvian government was forced to launch a mission to rescue Banka Baltija, the country's largest, from its mounting load of nonperforming loans.

In comparison with the billion-dollar dimensions of

we Latvians have come to take a great deal of pride in it and to view it as the guarantor of our prosperity. Because the system has developed so well, we had the naive expectation that Latvia — unlike every other country in the world, including Switzerland — would be spared any scandals or setbacks.

### Unpleasant episode

Upon closer examination, these developments look less like a full-blown "crisis" and more like just an

ence to the stringent capital-adequacy and balance-sheet accountability standards we established at the outset.

These standards are indeed very stringent. Latvia's banks are required to maintain reserves equivalent to 8 percent of their average deposits with the Bank of Latvia, to have at least 2 million Lat (\$3.9 million) in initial capital, to maintain a 10 percent ratio of share capital to total assets — two percentage points above the figure specified by the Basel Commission — and to avoid imbalances in lending and the holding of equity stakes.

### Quiet reorganization

By enforcing these standards and monitoring its banks' performance through its own examinations (65 of which were carried out in 1994), the Bank of Latvia has been quietly carrying out a reorganization of the country's banking sector, weeding out the black sheep and shoring up the problem children.

In 1994, for instance, the bank revoked the licenses of 11 banks, with a further six declared insolvent and two recapitalized.

In 1994, the Bank of Latvia also made it mandatory for Latvia's banks to have their books audited by recognized independent companies, and set up a binding period of compli-

ance. By the end of the year, some 80 percent of the banks had already undergone such an audit. Working with the association of commercial banks, the bank has submitted a proposal for a deposit insurance scheme.

### Unceasing vigilance

Thanks to recent developments, both of these activities are being stepped up. "We have learned how necessary unceasing vigilance really is," says Mr. Rimsevics.

The current flaps notwithstanding, Latvia's banking system remains unimpeachably solvent. The weeding out process has left the country with 49 banks, compared with 63 in 1993. At 1.1 billion Lat, total bank assets are currently at an all-time high, as is total bank share capital. Of that, one-quarter is held by non-Latvian corporations and citizens.

Also at all-time highs are domestic deposits, commercial bank credits, and bank deposits with and net foreign assets held by the Bank of Latvia. At or near all-time lows are short-term and long-term average weighted interest rates.

Already high, the level of financial services in Latvia has recently gotten even higher, thanks to the linking up of more banks with SWIFT and other electronic



To date, 22 million Latvian citizens have participated in the purchase of the country's corporations, investing about \$5 billion.

One feature of Latvia's financial system has not changed from the start — its inimitable openness

Credit Lyonnais or Barings, these developments are neither large nor severe. They have, however, been a front-page item in Riga's papers.

"This amount of local attention and concern is entirely understandable," says Teodoras Tverjonas, president of the Latvian Association of Commercial Banks. "Although [the banking system] is only a few years old,

unpleasant episode in the maturing of Latvia's banking sector.

"It takes time to get a full-blown regulatory and monitoring system in place," says Ilmars Rimsevics, the Bank of Latvia's vice chairman. "We have been working very hard over the past four years to set up monitoring and enforcement systems capable of assuring adher-

payment systems. One feature of this financial system has not changed from the start: its inimitable openness. Both Latvians and foreigners are free to maintain accounts in any currency they wish. No restrictions are placed on transactions between currencies and across national borders.

## PRIVATIZATION: A SCORECARD

A look at the successful restructuring of Latvia's privatization program.

In March 1994, Latvia completely reorganized its privatization system. Over the previous three years, 256 large-scale industrial corporations and more than 5,200 small-scale retailing, service and skilled trades companies had been returned to the private sector via straight sales and long-term leaseholds.

### New agency

On April 22, 1994, the Privatization Agency of the Republic of Latvia started up operations. Headed by Janis Naglis, the agency handles the final preparation and sale of privatization candidates. In addition to those sold via the two tenders, the agency has privatized 40 compa-

nies. On Sept. 1, 1994, the State Property Fund launched its activities. It was set up as the single, residual owner of all nonprivatized industrial companies in the country, of which there were 1,500 at the time.

### International tenders

On Dec. 22, 1994, the Privatization Agency concluded its first international tender. It was a huge success. Some 45 companies received 176 bids, of which just under half were from abroad. To date, 24 of these companies have been returned to the private sector, with the rest expected to follow over the next few months.

second international tender was completed. Some 46 companies were put up for sale.

Of the 182 bids, roughly half were from abroad. Mr. Naglis expects the tender evaluation process to have been completed by the end of the summer.

### September offering

A third international tender has been scheduled for September. It, too, will feature between 40 and 50 companies. Latvian citizens have been prime purchasers of their country's corporations. To date, 2.2 million Latvians had subscribed to vouchers worth 2.7 billion Lat (about \$5 billion).

## Latvia...

### ...and the European Union

On Jan. 1, 1995, a sweeping Free Trade Agreement between Latvia and the European Union took effect. With a number of conditions and with periods of transitions generally ranging up to four years, the

agreement successively removes all duties and quotas previously existing between the country and the union. The exceptions are agricultural products and fisheries.

According to Latvia's

Ministry of Finance, negotiations on granting Latvia associate membership in the EU came to a successful conclusion on March 3, 1995. In December 1994, the EU had committed itself to submitting a draft pro-

posal of this association agreement by the end of the current French presidency (June 30). Latvia has also concluded free trade agreements with Norway and Switzerland.

## FULFILLING A PROMISE: HIGH-TECH VENTURES

Latvia builds on its long-standing reputation for high-tech expertise.

In the pre-World War II era, Latvia's scientists earned a name for innovation in the fledgling fields of electrical and telecommunications engineering. When the Soviets conquered the country, their economic planners decided to capitalize on this stock of advanced expertise and on Latvia's relatively good infrastructure.

As a result, the Soviets built a number of large-scale electrical and telecommunications production facilities. These, in turn, were supplied with their future engineers and products by locally based clusters of scientific institutes.

Venues of renewal  
Today, these institutes — and specifically the four technology centers located on their premises — form the main venues of Latvia's industrial

renewal. Each of these four centers has its own highly individual brief.

Founded in 1986 and located in Riga, the Latvian United Research and Technology Center serves as the "playmaker" within the country's research community. The center is responsible for arranging transfers of technology between scientific institutes and industrial companies and for setting up new technology centers and interdisciplinary research groups. It also conducts research in a broad number of fields, partially financing all its activities from proceeds in this area.

Also located in Riga is the Radioelectronics Technology Center. Founded in 1993, the center is specialized in equipping newly founded companies — primarily active in the fields of electronics and instrument-making —

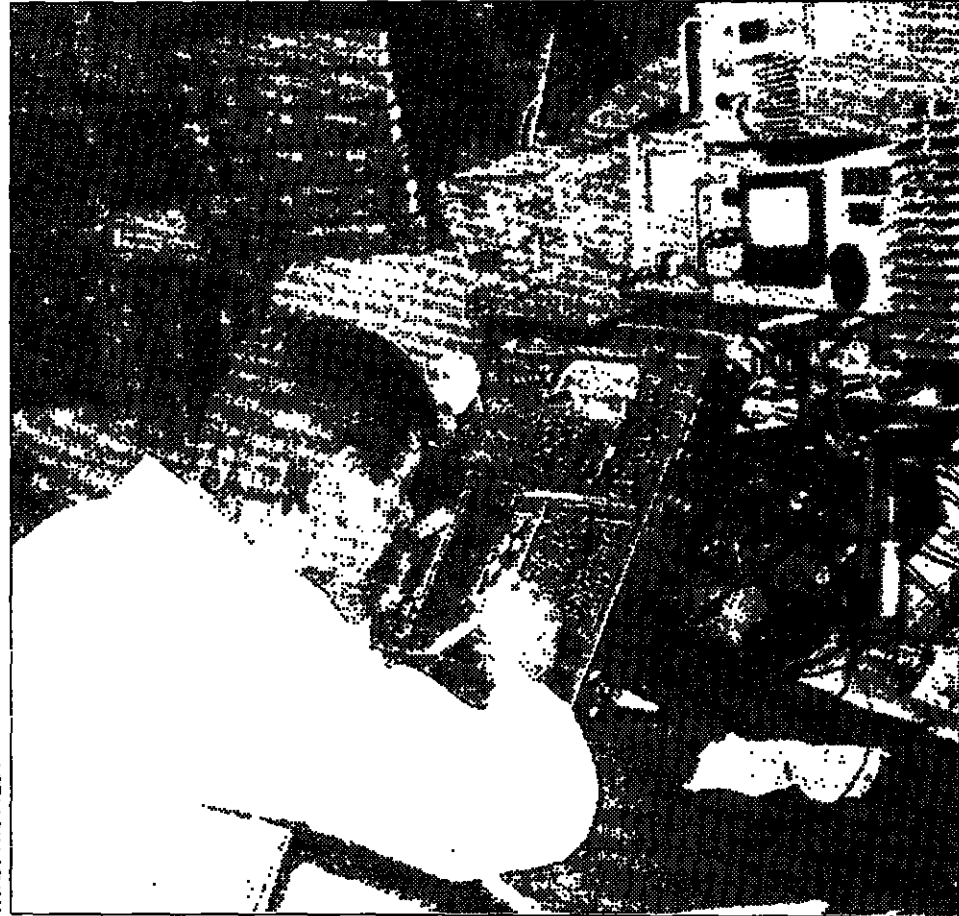
with the requisite technologies, facilities and investment capital.

Latvia's youngest Salaspils is a town located 30 kilometers (19 miles) southeast of Riga. Founded in 1994 and housed in a former institute of physics, its technology center is Latvia's youngest. It is being developed into a full-fledged "incubation center" similar to the Latvian Technology Center, which is a year older and already home to 16 companies.

"Technology centers generally all follow the same pattern," says Karl-Heinz Klinger, managing director of the Berlin-based Technostart. The company serves as technological consultants to the Latvian government. "They assemble a group of young, highly promising companies and provide them with the services, training and information the companies need to develop their products and then sell them on national and international markets."

"This approach is especially useful in Latvia," he adds, "as the country's corporate newcomers combine an exceptionally high level of promise and a very low exposure to standards of Western business practices."

Among the LTC's tenants are Elkurs, a producer of veterinary medications; Virsma AG, a developer of advanced systems for the reprocessing of industrial



Venue for industrial renewal: Riga is home to several high-technology centers.

wastes; and Ripors, a producer of building insulations.

### Beyond the centers

Of course, not all of Latvia's core of young, advanced companies are based in these centers. Located in Riga, Sidrabs manufactures state-of-the-art vacuum deposition

systems capable of coating and treating electronic and other industrial components and supplies.

The technologies used in the system preclude the developing and issuing of emissions. Armed with the capital and expertise of America's Sheldahl Corporation, the privatized compa-

ny is now taking on international markets. Other high-tech companies attracting international attention include Anda, which manufactures optical fibers and laser instruments; Ellat, a producer of remote control systems; and LarWest, a developer of advanced voice and data communication systems.

## Latvia...

### ...and other international organizations

Over the past few years, Latvia has been granted membership in the Council of Europe, the International Monetary Fund and the International Bank for Reconstruction and Development, as well as associate parti-

nership in the Western European Union. Latvia is expected to become a member of GATT (and thus of its successor, the World Trade Organization) during the course of the year.

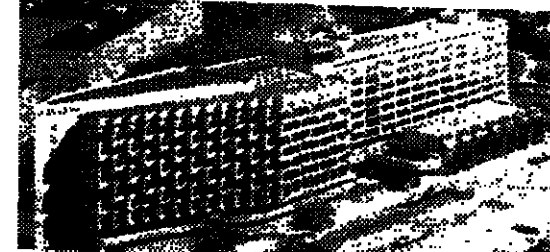


Infrastructure for growth: Telephone factory in Riga.

## Cut the cost of your first night in Riga

- cut out this coupon

Opening on 1st July, and located just across the river from the old town, the Radisson SAS Daugava Hotel Riga brings new standards of luxury, service and security to the Latvian capital. 360 rooms, 2 restaurants, bars, a fitness center with pool and a fully-serviced business center will make the hotel the perfect choice for the business traveller.



Stay with us between 1st July - 31st December and we'll cut the cost of your room on your first night\* by 50%, if you produce this coupon when checking in.

**Radisson SAS**  
DAUGAVA HOTEL RIGA

Kugu 24, Riga 1048, Latvia  
Tel: +371 706 1111 Fax: +371 706 1100  
\* Not applicable with any other promotional rate

For reservations call the hotel, your travel agent or 'phone toll-free:

Austria	0660 8377	Italy	1678 77446
Belgium	0800 1 9898	Netherlands	06 022 7064
Denmark	800 16784	Norway	800 160 91
Finland	0800 11 58775	Spain	900 95 3534
France	05 91 60 60	Sweden	020 79 7592
Germany	0130 81 44 42	Switzerland	1 55 2777
Ireland	800 55 7474	UK	0800 374411



## LATVIA

## FARING WELL: EXPATRIATES AND PIZZA

From politics to fast food, new opportunities are luring expatriate Latvians back home.

"Half of all Latvians live outside the country," says a guidebook. Independence has made that statement out of date. Since 1991, a goodly portion of these expatriates have returned to a homeland many had never seen, bringing with them varying quantities and qualities of capital and expertise.

Most of them have gone into the various branches of the service sector, including politics (the American-born and -raised Vita Anda Terauda is the country's minister of reform), family planning (an item in scant supply in all of Central and Eastern Europe), the media and the restaurant business.

## Delightful predicament

There are now so many restaurants that the regular visitor to Riga is faced with a new and delightful predicament: There is a good deal of new fare to try out. This new abundance includes a

bevy of expense-account restaurants, generally offering upmarket Latvian cuisine and mostly located in the city's historic center, plus a rash of casual places offering subs, fried chicken, hamburgers and, most commonly, pizza.

Two of the pizza parlors — called "Lulu Pizza" — are owned by Elmaris Tannis and Peteris Rugelis, Canadians of Latvian extraction.

## A need for fun places

The duo entered into the world of Latvian gastronomy in 1992. On a trip to a homeland they had never seen, Mr. Rugelis says that they "saw a market opportunity — Latvia lacked fun places to eat and congregate. We could speak the language, so we decided to give it a try. And, much to our surprise — running a business was very new to us — it has worked out well, after lots of ups and downs."

The downs were great initial difficulties in finding premises, a grasping partner who made the duo's initial foray — a highly successful eatery — untenable, and the frustration of working in an economic and regulatory system undergoing a period of rapid change.

## Opportunities abound

The ups have been the proliferation of reliable suppliers providing extensive ranges of products, an expanding real estate market offering an ever-greater number of affordable premises and the growth of a middle class able to afford what is still a luxury item in much of Central and Eastern Europe.

Today, the partners are busy opening a third outlet, managing an expanding home delivery service and considering new areas of endeavor.

"There is lots still missing in Latvia," says Mr. Tannis dreamily. "Like Mexican food."

## Latvia...

## Latvia... and Lithuania and the Baltic region

Latvia and Lithuania should not be confused with the increasingly effective Baltic Council, which they joined in 1994. The council is an increasingly active force in combating the region's problems. It recently instituted a \$220 million program to upgrade the Baltic Sea's eight countries.

## International investors

Latvia's economic growth has attracted international investors. The country's infrastructure is being upgraded, and the government is offering incentives to attract foreign investment. The country's strategic location and skilled workforce are also attractive factors for investors.

## A RULING PASSION: NATION SHOWCASES WEALTH OF ARCHITECTURAL TREASURES

The bane of the Latvian past has become a blessing for today's travelers.

Throughout its history, Latvia was never very large and very rarely united. For most of the time, it was a patchwork of duchies and fiefdoms, nearly all of them under foreign control.

From the Bremen-based prelates and traders who founded Riga in 1201 to the Russian autocrats holding sway in the mid-19th century, each of the foreign rulers brought their own architectural style, turning Latvia's communities and countryside into a highly eclectic and wide-ranging exhibition of 800 years of ruling architectural passions.

The prime exhibit is Rundale, located 80 kilometers (50 miles) south of Riga.

For anyone who has been to northern Italy or St. Petersburg, this resplendent 18th century palace, seat of a minor Courlandian dynasty, will look very familiar. Its architect was Francesco Bartolomeo Rastrelli, the Italian who designed the Winter Palace and many other royal buildings in St. Petersburg.

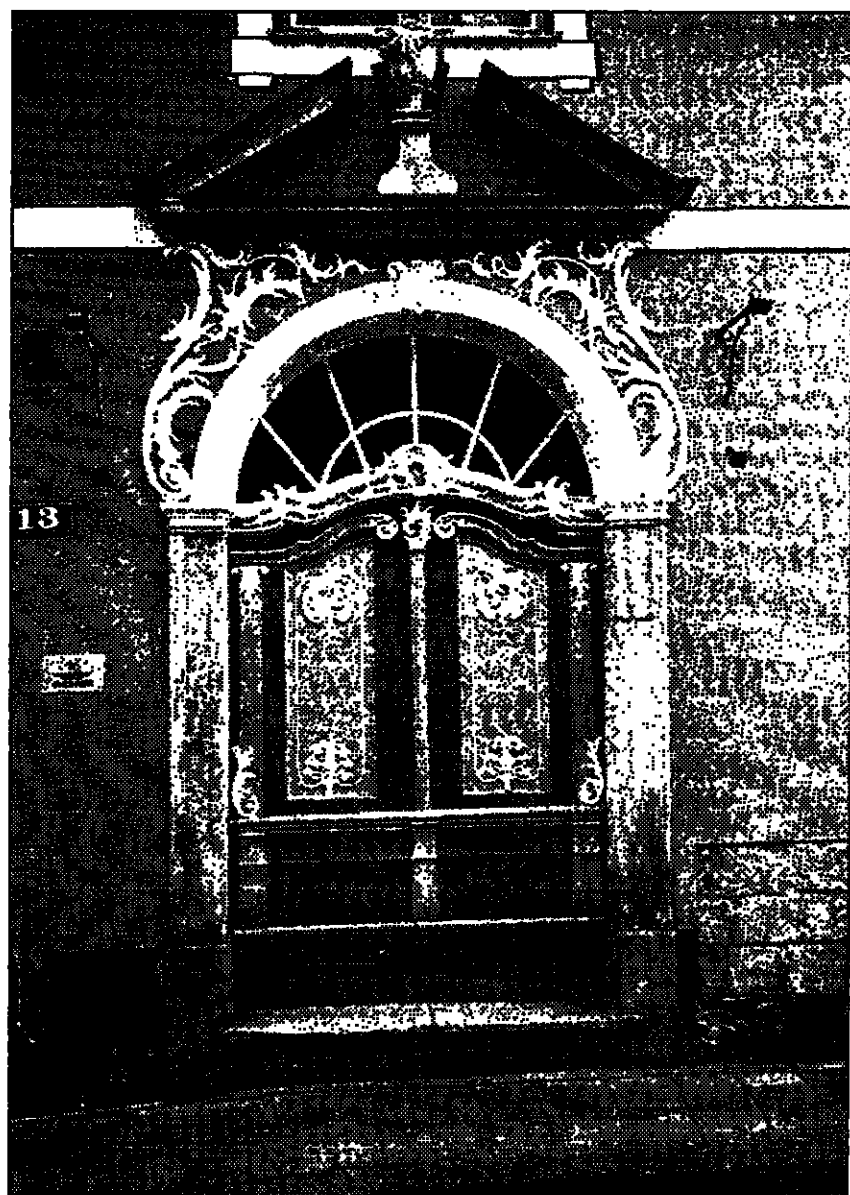
**Nordic Gothic**  
One hundred and sixty five kilometers to the west is one of Scandinavia's ultimate architectural statements. Located on Latvia's Baltic coast, the castle of Edole was first built in 1253. Among its many owners were Danish potentates, who put the stern stamp of Nordic Gothic upon its lines.

Between Scandinavia and Italy are some of Germany's best-preserved 16th century half-timbered lodges, 18th century villas still bespeaking the glory of Greater Poland and 14th century guild halls built by its era's most rapacious might — the Hanseatic League.

## Local talent

Not to be outdone by foreigners, the Latvians have also been avid builders and city planners in their own right, eagerly importing and adapting prevailing looks and style.

In the late 19th century, Latvian-based architects and designers took "Jugendstil" — a Viennese style perfected in Budapest, Barcelona and Glasgow — and transformed it into a lavish paean to the expressive abilities of stone, glass and ceramics. By the time



Foreign rulers — and ambitious Latvian architects — have bequeathed a highly eclectic mix of architectural styles.

the architects were done, Riga alone had 800 of Europe's most sumptuous Jugendstil buildings.

Nor were their efforts confined to Riga. Turret for turret and drawbridge

for drawbridge, the late 19th century palaces at Stamerica, Jaungulbene, Lielstraube, Nogale and elsewhere rival Neuschwanstein's splendor and ornateness.



Visitors to Latvia will be treated to rich variety of natural, cultural and architectural attractions.

## FOR INTERNATIONAL VISITORS, A CONCISE GUIDE TO GETTING AROUND

Latvia's transport infrastructure is keeping up with demand.

Success often causes its own problems. After undergoing complete renovation only a few years ago, Riga's airport will soon be due for a major expansion, should current trends be maintained.

"Riga airport — a 30 percent rise in air traffic" trumpeted an article in the Baltic Observer, an essential English-language source of information on Latvia. The rise was for the first quarter of 1995, as compared with the same period a year earlier. It was caused by the growing volume of business and holiday travel between Riga and Western Europe.

## Numerous attractions

This increase has been produced by a wide variety of positive factors. Based on the sketchy figures available, international interest in viewing Latvia's large number of natural, cultural and architectural attractions seems to be growing strongly. The number of transactions carried out between Latvia and the Western world has been rising steadily.

Attracting more and more visitors to the country has been a growing number of cheap flights and attractive hotels.

Among the latter is Riga's newest hotel, the five-star Radisson SAS Daugava, which will be opening for business in July.

Nothing dissuades travelers from visiting the country, aside from the Baltic's often unpredictable weather. There are no difficulties involved in entering the country. Visas are quickly and courteously supplied at points of entry. They are free of charge for Americans and not required for the British, and they cost between \$20 and \$40 for citizens of other EU countries, depending upon the type of visa applied for.

## Payments in major currencies

Nor are there any difficulties involved in getting to downtown Riga, some 15 minutes away from the airport. Taxis are reliable; the fare is \$14 for those booked via the airport service, much cheaper for regular taxis. The drivers give receipts as a matter of course and accept payment in any major currency — a statement that applies to nearly all commercial outlets in Latvia.

In many European cities, any reasonably priced hotel is far removed from

the city's downtown, thus involving a trek. Not so in Riga. Although the city is large (925,000 people), almost all of its major hotels are located in or within easy walking distance of its historic center. Nor is walking about in Riga an exercise in risk-taking. The city is generally regarded as one of the safest in Europe.

## Easy communications

Also missing from Riga (and to a lesser extent, from the rest of Latvia) are communication problems. As befits a city that has lived from the international traffic in goods and ideas for nearly eight centuries, Riga's citizens are polyglot, with proficiencies in English and German being widely prevalent.

Nor is it difficult to reach all of Latvia's many natural and cultural attractions. Buses are somewhat better than trains, which are adequate but slow, and the country is not covered with superhighways.

Nevertheless, the longest possible trip within the country from Riga is some 270 kilometers, which brings the visitor to Pasiene and its cluster of improbably Mediterranean baroque churches.

## Latvia...

## ...and Russia

Despite occasional flurries of aggressive rhetoric, relations between Latvia and Russia have continued to improve. A "most favored nation" trade agreement has been in force between the two countries since June 1, 1994, one of 18 such agreements concluded by Latvia.

One major remaining bone of contention is that Latvia, like many countries in Central

and Eastern Europe, is highly interested in joining NATO. To that end, the country has participated in NATO's Partnership for Peace maneuvers.

As is the case with all such moves by former Soviet satellites, the Russians have been vacillating between grudging toleration of Latvia's plans and unrelenting opposition.

## USEFUL ADDRESSES

**LAA**  
Latvian Development Agency  
2 Pērses St.  
LV-1442 Riga  
Tel.: (371 2) 28 79 95,  
28 34 25  
Fax: (371 2) 88 20 458,  
28 25 24

Director: Mr. Uldis Vitols  
**LPA**  
Latvian Privatization Agency  
31 K. Valdemara St.  
LV-1010 Riga  
Tel.: (371 2) 32 13 38

Fax: (371 2) 88 30 63  
**Ministry of Economic Reform**  
International Investment and Credit  
36 Brīvības bulvāris  
LV-1010 Riga

Tel.: (371 2) 228 84 44  
Fax: (371 2) 228 08 82  
**Latvian Tourist Board**  
4 Pils laukums  
LV-1050 Riga  
Tel.: (371 2) 32 75 42  
Fax: (371 2) 22 99 45







FRIDAY, JUNE 9, 1995

PAGE 23

## Mantle Is Given 'Excellent Chance' After Transplant

The Associated Press

DALLAS — Mickey Mantle has "an excellent chance for recovery" after getting a new liver in a 7½-hour transplant operation Thursday that, doctors said, ran into some initial difficulty because of scar tissue from earlier gall bladder surgery.

The new liver was draining properly and the Hall of Fame baseball player's kidneys were working again, the lead transplant surgeon, Dr. Robert Goldstein, said in the afternoon.

"He now has an excellent chance for recovery," Goldstein said. "He's very stable but still critical."

Goldstein said that Mantle had "a week, maybe two to five" had he not received a new liver.

Mantle was moved to intensive care where he was to remain for at least 24 hours. Goldstein said that time period is the most critical to make sure the liver continues functioning and that there is no bleeding.

"He is 63 years old, which puts him in our elderly population, and you just have to watch him to be sure," Goldstein said.

Mantle's liver had been deteriorating because of a small malignant tumor, years of alcohol abuse and a long dormant hepatitis C infection, doctors said.

The five-year survival expectancy for someone who has received a liver transplant is about 70 percent. But because of Mantle's age and alcohol problems, his chances probably would be about 60 percent, said Goldstein.

The surgeon said doctors will continue to monitor for any problems developing from the hepatitis.

A liver donor was found last Wednesday and, once tests showed the organ was compatible with Mantle, surgery began about 4 A.M., said Jennifer Jones, a spokeswoman at Baylor University Medical Center.

Mantle was hospitalized on May 28 complaining of stomach pain. Although doctors made his condition public Wednesday, they notified the Southwest Organ Bank Inc. on Tuesday that a new liver was needed.

The organization's director, Allison Smith said it was not too unusual for an organ to be found within two days because Mantle's poor health placed him in the Status 2 category.

"His medical condition was worse than any other recipient we had listed from the local area," she said. "I'm sure there will be people who refuse to believe there wasn't some special consideration given because of who he is, but that will not be the case. We hope people realize we work as hard to recover organs for everyone on the waiting list."

Before the operation, Roy True, Mantle's attorney and close friend, spent time with

him and said the former New York Yankees slugger had been in pain and couldn't get out of bed.

True said Mantle's wife, Marilyn, and sons Danny, David and Mickey Jr., had been with Mantle around the clock.

Mantle has been "heavily sedated" the last couple of days, Danny Mantle said. "He's been in a lot of pain. He's been more or less sleeping a lot."

Mantle was the centerpiece of the New York Yankees' dynasty in the 1950s and '60s and one of baseball's premier sluggers. The Oklahoma boy who replaced Joe DiMaggio in center field retired in 1968 with 536 home runs, which ranks him eighth on the all-time list. Five years later, he was inducted into the Hall of Fame.

Thursday was the 26th anniversary of the day his No. 7 jersey was retired at Yankee Stadium.

Mantle's off-field drinking exploits, notably with pitcher Whitey Ford and infielder Billy Martin, were almost as heralded as their on-field heroics.

Mantle never kicked his drinking habit and last year he admitted it was a problem. In January 1994, he checked into the Betty Ford Center in Rancho Mirage, California, to receive treatment for his alcoholism.

His storied career also was sidetracked by many injuries. Doctors speculated that the hepatitis may have come from blood transfusions Mantle received during past surgeries for athletic-related injuries.

But pain and drunkenness were of little consequence to Mantle, who always said he expected to die young because no male member of his family had lived past 41.

His father died at 41 from Hodgkin's disease, a lymphatic cancer that killed his grandfather at age 40. One of his sons, Billy, also had a long struggle with the disease, then died of a heart attack last year at age 36.



Kimiko Date (left) was done in by nerves and Sánchez Vicario; Graf (right) kept her cool against Conchita Martínez.



## Sánchez Vicario, Graf Gain Final No. 1 Ranking Also at Stake

By Christopher Clarey  
Special to the Herald Tribune

PARIS — Arantxa Sánchez Vicario versus Steffi Graf in the French Open final.

The matchup appears every bit as logical and inevitable as professors shuffling through the Louvre or tourists craning their necks at the Eiffel Tower.

After all, Sánchez Vicario and Graf have played each other with the No. 1 ranking all year. Both have won the French at least twice and both earn their daily bread and the bulk of their computer points from the baseline from which claycourt matches are won and lost.

But for all their victories, the recent past has not gone smoothly for the two most celebrated players now active in women's tennis. Their health has caused them problems, gnawing away at their confidence and effectiveness.

And perhaps that is why there was more than a whiff of relief in the humid air after Thursday's semifinals at Stade Roland Garros. Neither Graf nor Sánchez Vicario played well, but both played well enough. First came Sánchez Vicario's 7-5, 6-3 defeat of Japan's precedent-setting Kimiko Date. Then came Graf's remarkably uneven 6-3, 6-7 (5-7), 6-3 victory over Conchita Martínez.

"I was not 100 percent but I am still in the final, so I feel very happy," said Sánchez Vicario, the defending champion and No. 1 seed in Paris.

To hang on to the No. 1 ranking that she holds so dear, she will have to beat Graf in Saturday's final. If not, Graf will reclaim the spot she has held off and on since 1987.

Graf clearly cares more about victory than ranking. For the first time in nearly nine years, she does not hold one of the Grand Slam singles titles. Mary Pierce blew her off the court here in the semifinals last year. Then Lori McNeil upset her in the first round at Wimbledon and Sánchez Vicario beat her in the U.S. Open final.

A lower back bone spur also helped beat her in that match, and led Graf to withdraw from four events. After deciding against major surgery, she whittled herself into shape, only to miss the Australian Open with a strained right calf muscle.

But since her emotional return to the circuit in February, she has won 24 straight matches and had not lost a set until the fourth-seeded Martínez, herself the winner of 24 straight on clay this spring, rallied to make it interesting Thursday.

Martínez started poorly, making unforced errors off both wings and falling behind, 4-0. And though she rallied to win 12 of the next 14 points and make it 4-3, she faded again. Not only did she lose the first set, she fell behind, 4-1, in the second.

Luckily for Martínez, Graf was hardly on top of her game, either. She wound up making 67

unforced errors, many with her usually reliable slice backhand. Serving for the match at 5-4 in the second set, she played an edgy game, knocking a short forehand into the net to allow Martínez to even the score. Then, at 5-5 in the tiebreaker, she missed two more malleable forehands to lose the set.

"I wasn't nervous, but it was so difficult to play," Graf said. "With her, she plays it high and plays it low, mixes it up so much. I made great shots then easy mistakes. It was really difficult to find my rhythm."

She was out of rhythm again in the third set, falling behind by 0-40 on her serve at 3-3. But Martínez missed the next three service returns, hurling her racket after the third, and Graf held serve, then put an end to Martínez's invincibility on clay.

"I lost my opportunity there," Martínez admitted.

Date, hardly known for her claycourt prowess, had opportunities of her own. The first Japanese player to reach the semifinals of the French Open, she has a game from a different era. With her straight backswings and flat strokes, she looks like she learned tennis by reading — if not necessarily memorizing — an instruction manual by Chris Evert.

But Date, at age 24, has developed into a dangerous customer on all surfaces and, for most of the first set, she took the ball on the rise and kept the speedy Sánchez Vicario off balance. Only a nervous service game at 5-6 cost her the first set.

And though she led, 2-0, in the second, she lost her serve and the edge in the sixth game, in which several long rallies left her gasping for air. She won only two more points after that.

It is perhaps testimony to the current state of women's tennis that even Sánchez Vicario, who has been fighting off a stomach virus and a fever with antibiotics the last week, has not dropped a set on her way to the final. Perhaps it is also testimony to her considerable pluck.

After being whipped by Pierce in the Australian Open final, she hurt her ankle in March and missed almost a month. She then won two tournaments on clay and, on Tuesday night, was dancing, antibiotics and all, after midnight with her parents, Emilio and Marisa, at the ITF World Champions' dinner.

"I am not a machine," Sánchez Vicario said, with a grin. "I am a human being."

### Other Open Results

Men's Doubles Quarterfinals  
Jacco Eltingh and Paul Haarhuis (2), Netherlands, def. Yevgeny Kafelnikov and Andrei Olshanskiy (7), Russia, 6-7 (2), 10-18.  
Men's Doubles Semifinals  
Jacco Eltingh and Paul Haarhuis (2), Netherlands, def. Tommy Ho and Brett Steven (12), New Zealand, 6-4, 6-4; Nicklas Pietrangeli and Magnus Larsson, Sweden, def. Jakob Hlasek and David Whitcomb, U.S., 3-6, 6-4, 6-4.  
Mixed Doubles Semifinals  
Larissa Neiland, Latvia, and Mark Woodforde (1), Australia, def. Gail Fernandez, U.S., and Cyril Suk (3), Czech Republic, 4-6, 7-5, 10-11.  
Hetherington, Canada, and John-Laffitte def. Juan South Africa, def. Rachel McQuibban and David MacPherson, Australia, 6-4, 6-1.

## A Paralysis Points Up Rugby Inequities

By Ian Thomsen  
International Herald Tribune

CAPE TOWN, South Africa — His teammates and coaches have returned home to Ivory Coast, but Max Brito remains behind in a Pretoria hospital bed, understanding that the Rugby World Cup will stay with him and never leave.

His paralyzing injury has demonstrated the severity of the challenge for small teams like that of Ivory Coast, which qualified for the 16-team finals with its African Zone upset one year ago against Namibia. The team was expected to lose all three matches here, and it did. Fulfilling the dream of competing on this stage was supposed to be the point.

Two minutes into the last game, Brito was tackled by one Tongan and another

two fell on him. When they got up he was still conscious, but he couldn't move. An operation this week stabilized the fourth and fifth vertebrae of his neck, allowing him to lift his head. He will probably be paralyzed below the neck for the rest of his life. He is 24. There can be no fulfillment after something like that.

"He is still weak but he was definitely better," said his brother, Fabrice, who also plays rugby. "We'll support him to the end. He's mentally very strong and I'm sure he will be able to do something despite his condition."

Dan Hearn, paralyzed in 1967 while playing for England against New Zealand, has criticized the tournament for mismatching teams. The Rugby World Cup is just a nine-year-old convention, intent on growing internationally what has been a relatively

social game. In 1999, the tournament plans to invite 20 teams. In effect, that will mean four more teams no more able to compete than the Ivory Coast of Max Brito.

"The authorities should learn from this because top level rugby is no longer a game for the inexperienced," Hearn told the Guardian newspaper in England. "Asking the Ivory Coast, a country with no rugby pedigree, to play against what are effectively professionals does the game a disservice."

A survey of the Scottish Rugby Union in 1993-94 revealed Thursday that rugby has the highest risk of any European team sport. Of the 1,169 players studied during matches, practice games and training sessions, 361 were injured — almost half during tackles. It did not survey spinal injuries.

## A Fluke, and Lindros, Give Flyers a Victory, and New Life

The Associated Press

EAST RUTHERFORD, N.J. — The Philadelphia Flyers finally broke through the New Jersey Devils' center-ice traps and Martin Brodeur's mastery goaltending, but not with their backspacing, or their forechecking, or their extra hits.

First it was a fluky bounce on a flip shot from the point late in the third period, then it was the reliable Eric Lindros.

He scored on a rare odd-man break by the Flyers 4:19 into the first overtime as Philadelphia patiently fought its way back into the Eastern Conference final by beating the Devils, 3-2, on Wednesday night.

The victory, in what was almost a do-or-die game for the Flyers, cut the Devils' lead in the best-of-7 series to 2-1. Game

4 will also be played in the Meadowlands Arena on Saturday afternoon, with Game 5 back in Philadelphia on Sunday.

But Game 5 would not have been possible had it not been for a fluky goal by Rod Brind'Amour that tied the score with 6:03 left in regulation.

At that point, the Flyers looked like a team ready to go

at the right point when he suddenly spotted Lindros skating alone down the middle of the ice. He sent a pass across and Lindros snapped off a shot from the top of the left circle that went just inside the goalpost.

"I never saw Lindros coming in late," said Brodeur, who had a 1.29 goals against average in 12 playoff games. "I was playing the 2-on-2 at the blueline. Brodeur made the long pass across and boom! Lindros was all alone."

And just as quickly the Flyers were revived.

"That was a big goal for us," said Kevin Dineen, who scored the Flyers' first goal. Like I say, your big guy scores the big goals and we got it from him tonight."

"We had to win this game," Brodeur said. "If we didn't we almost would have been dead. Now we're still alive."

That's not what the Devils wanted after thoroughly dominating the opening two games in Philadelphia.

Rugby World Cup in Brussels  
PAPA JOE'S  
Sportsbar & Grill  
Rue Archimède 55 - 1040 Brussels  
Tel: 32 2 732 77 77

### SIDELINES

#### Lukas's Horses Favored at Belmont

ELMONT, N.Y. (AP) — Preakness winner Timber Country, the first 2-year-old champion to win a Triple Crown race since Easy Goer won the Belmont in 1989, was made the early 6-5 favorite Thursday for Saturday's Belmont Stakes. Kentucky Derby winner Thunder Gulch, who is also trained by D. Wayne Lukas, was the 2-1 second choice.

The field, in post position order, with jockey and odds: Citadeau, Eddie Maple, 8-1; Off a Way, Mike Smith, 12-1; Pana Brass, Wigberto Ramos, 50-1; Is Sveikatas, Jorge Chavez, 50-1; Ave's Flag, John Velazquez, 30-1; Composer, Jerry Bailey, 20-1; Wild Syn, Randy Romero, 20-1; Colonial Secretary, Jose Santos, 50-1; Knockdown, Chris McCarron, 15-1; Thunder Gulch, Gary Stevens, 2-1; Timber Country, Pat Day, 6-5, and Star Standard, Julie Krone, 6-1.

#### United Surprises Ince With Transfer

MANCHESTER (AP) — Manchester United officials confirmed Thursday they have agreed to sell England star Paul Ince to Inter Milan. Manager Alex Ferguson said that accepting Inter's bid — believed to be about \$13 million — was taken in the best long-term interests of club and player.

But the midfielder's agent, Steve Kutner, said that "Paul was every bit as surprised as the fans when they heard that United had agreed on a fee with Inter Milan."

• Arsenal, which fired George Graham in February over allegations of irregular transfer payments, named Bruce Rioch its manager.

### CROSSWORD

ACROSS  
1 Evening hours  
10 They come in shells  
15 Like new

16 Religious art figure  
17 Differ amicably  
18 Alphabet trio

20 Guardian ad (court-appointed person)  
21 Kind of camp  
22 1941 Humphrey Bogart role  
23 Lead ore  
24 Kindness  
25 Not merely a lender  
26 "Lord Jim" star  
27 One in a hundred  
28 Food thickener  
29 Obligations  
30 Works of Bacchylides  
31 "Have —" I  
32 Beethoven's Norma, e.g.

33 Taut I Taw a Puddy (1950 song)  
34 Chiding comment  
35 "Let — in a tavern..." The Archpoet  
36 Shorten, perhaps  
37 Unanimously  
38 O.A.S. member  
39 Soft on the feet  
40 Directly adversarial  
41 Former Justice Potter et al.  
42 Bell-shaped flower  
43 Sound sleepers?  
44 Crater  
45 Smidgen

46 Concise  
47 Hindrances  
48 O-Day ship; abbr.  
49 One taxed  
50 blimp  
51 Strength of electric current  
52 Graf —  
53 Snooze continuation  
54 Catalogue

55 Interprets  
56 "Take —" Train  
57 Embitterment  
58 Clear  
59 One at a hoodown

Solution to Puzzle of June 8

SALSA AKBAR SKI  
OLEAN BELLE POD  
UPON THEROOF ASI  
POMCOS CURACAO  
YER INERT  
CHIMNEYSWEEP  
YEATS DOPED RBI  
ABLY FAKES TOUR  
PUT ATIME SABRE  
EAVESDROPPER  
GORSE RIG  
ROUYND RIONAGON  
AZO GUTTER SKIPE  
PEP ENTER ECLAT  
EDS RESOD REALS

## TO OUR READERS IN FRANCE

It's never been easier  
to subscribe and save  
with our new  
toll free service.  
Just call us today  
at 05-437 437

Joining Post

For full membership details  
ring (44) 4-854-166

ESORTS & GUIDES

BELGRAVIA ORCHIDS

LONDON PARIS GENEVA ZURICH

UK 0171 5895237

INTERNATIONAL CLASSIFIED

(Continued From Page 6)

ELITE Escort Service

NEW YORK CITY

1-800-464-6667

MUNICH WELCOME

ESCORT & GUIDE AGENCY

PLEASE CALL 089 71 21 14

CRISTAL ESCORT SERVICE

LONDON

PLEASE PHONE 0171 725 3314

GENEVA 346 00 89

GLAMOUR ESCORT AGENCY & BASEL

TO subscribe in Switzerland

just call, toll free,

155 57 57



## OBSERVER

## Too Many Candidates

By Russell Baker

NEW YORK — So many persons are now running for president that it makes your head spin. Republicans have candidates you've never heard of. Democrats so far have only President Clinton. Amazingly, he is trying hard to keep other Democrats from running.

There are other amazing things about Clinton. For instance, he started running for a second term even before he was inaugurated for the first.

The amazing thing here is, he didn't seem to have any fixed ideas about what he wanted to do with his first term. Was he keeping a secret so he could surprise us in his second term?

As everybody knows, he started running for president when he was a high schooler. You'd think by the time he finished college a man who started running in high school would have exciting ideas of what to do in his first term.

Well, you'd think that and I'd think that, but maybe shrewd politicians think more subtly than we do. I don't say this is how the Clinton mind works, and I don't say there is anything ill advised about keeping your vision tight a secret until the second term. It would take the tactics of a man whose tactics have already won him one term, and my gall is mitigated.

The Republican candidates, or at least those I can keep in mind, have unmitigated gall and incredibly clear vision things. I keep them sorted out by imagining the kind of country each would bring us.

Under President Newt Gingrich, for instance, I see a lot of balloons. I mean big brightly colored balloons that use hot air to raise baskets of people into

the sky so high. Gingrich, you see, is a romantic and a dreamer and a devotee of science.

President Pete Wilson's America would be different. No balloons in Wilsonian America. They would make it too easy for foreigners to cross our borders at times when Americans have no need for cheap foreign labor to take jobs too awful to interest our own citizens.

Wilson is a Californian. So I see Congress in permanent recess, since all government would be conducted by incessant referendum and initiative elections.

President Pat Buchanan governs a Fortress America. Mind your own business. That would be there with its troublesome, obnoxious, out-of-control billions of people — that's not our problem, my fellow Americans.

Inside Fortress America, I see everybody going to church. A Christian church. Getting the feel of the Ten Commandments. Not turning the other cheek though, no matter what the Gospel recommends, to those alien cultures with which we are at war, because when you are at war, my fellow Americans, you have to retaliate.

Who else? Yes, Senator Gramm. I don't exactly see a President Gramm administration. I hear it. And I don't want to hear it. It is an America in which millions of people shout, "Turn off that TV!" the instant President Gramm starts to announce a 14-point program for soaking the poor so the rich, by getting richer, can help the poor find honest work one of these days.

"What about Bob Dole?" you ask. I see a Bob Dole administration which has American saying, "Well, who else was there?"

The New York Times.

## Tossing Off Virtuoso Licks With Arturo Sandoval

By Mike Zwerin  
International Herald Tribune

PARIS — Arturo Sandoval plays virtuoso trumpet from screech to pedal notes with the confidence of a ranked tennis player at the top of his game aiming for the lines. Tossing off a fast lick from Dizzy Gillespie's "Be Bop," he lays the horn gently to rest on the bed and says he always practices in hotel rooms "until they start banging on the walls."

Cubans tend to play the trumpet like bullfighters. He overflows more than fills the room. His excellent English is melodiously Spanish-accented. "Nothing," he sighs, "nothing is

'Cuban music is rich and varied. Salsa is only a condiment, not a music.'

easy on the trumpet. The trumpet is a pain in the butt. If you don't practice every single day, you play bad."

Sandoval was born in 1949 in Artemisa, a suburb of Havana, studied classical trumpet and was a founding member of the esteemed group Irakere, which combined Cuban traditional music, rock and jazz. He has played Telemann, Vivaldi, Hummel and Leopold Mozart with the BBC Symphony and others and has given trumpet master classes in conservatories in London, Paris and the Soviet Union. His album "Danzon" won a Grammy in the Latin Jazz category in 1994 and he was featured (with Tony Bennett) during this year's Super Bowl halftime show.

Irakere was known for checking into ratty hotels, usually near railroad stations, and traveling long distances second class. Despite their reputation and exciting, groundbreaking style, they never saw their contracts. "We never knew what we were getting paid. We just went where they sent us, there were always bodyguards, and they would give us, like, \$15 a day pocket money," Sandoval managed to perform in the United States several times, despite the embargo. After the critic Leonard Feather wrote a formal request to the State Department, he was granted a 48-hour visa to play the Hollywood Bowl with Woody Herman's band on the occasion of its 50th anniversary.

Playing the Jazz Jamboree in Warsaw in 1979, he was happy to meet the Voice of America disk jockey Willis Conover. Like many young jazzmen in Communist countries, Sandoval had learned the repertoire listening to

Conover's programs. He was caught listening to one in the barracks during his military service. The sergeant called it the voice of the enemy "and sent him to the stockade for three months." "Which," he says, "is one reason I live in Miami now."

Life in Cuba did not please him, but it was home. Describing his love for his island, he cites a Cuban high-jump champion, Cuban ballet dancers, the female volleyball team and the chess master Capablanca. "It's a crazy wonderful country. It's my own land," Arturo Sandoval became another name Cubans are proud of.

Although "the government owned my brain and my soul, they controlled me like a marionette," he did not want to leave without his wife and son. Friends had defected, saying they would bring their families later. And they ended up losing whatever they had together. Not wanting to take that risk, he bided his time.

In early 1990, when Gillespie, who had become his mentor, hired him for a two-and-a-half-month European tour, he saw his chance. Since he had already booked a three-month tour with his own band, he would be in Europe almost six months. He asked the Ministry of Culture to allow his wife and son to visit him during the tour. "I am 40 years old," he said. "That is too long to be separated from my family."

"Imagine," he stops to reflect. "You have to ask their permission to travel with your own family. My wife and I discussed it walking on the beach, we did not trust the security of our own home. Nobody knew about the plan but she and I, nobody." The ministry agreed, he does not know why.

The Gillespie band was in Athens when Sandoval's wife and son arrived in London. Gillespie, whose tours for the State Department had made him a sort of cultural ambassador at large, he asked for political asylum. He was told to continue the tour and they would process the papers and give him further instructions.

Less than a week later, however, in a small town in northern Italy, Sandoval received a phone call from his wife. She and their son were in a friend's house in the country outside London, lying low. She told him she'd heard that the Cuban government knew he had asked for asylum and wanted all three of them on the next plane to Havana. She said she had been threatened. She was afraid.

Sandoval went to Gillespie's hotel room and woke him up. It was 1 A.M. Hearing the story, Gillespie said, "If you go back they'll put you in jail." Wearing his famed bemused-guru expression, he reached into a bag, pulled out a



"Nothing is easy on the trumpet. If you don't practice every day, you play bad."

disorganized bundle of papers and finally found what he was looking for — the number of a White House hotline. He had recently traveled on Air Force One to play at an independence ceremony in Namibia. He dialed the emergency number he had been given.

Sandoval interrupts the tale to shake his head: "Dizzy, may the good Lord bless him."

The White House heard the story and said, "Don't move, we'll get back to you." The phone rang just before 2, the American ambassador in Rome. He promised to arrange to send a car to take Sandoval's family to the U.S. Embassy in London. He stops again to point out that this is the "short version" of the story. He was escorted on to a plane by embassy people and carabinieri in Rome, his wife and son flew from London. They met in New York, moved

with no money or work to Miami and have lived there happily ever since.

"How did they find out you asked for asylum?" "That's a good question." He leaves it at that.

Before concluding, he asks, just about begs, to be quoted on-the-record discussing the concept and name of salsa music. His new album, "The Latin Train" (GRP), explores a number of Cuban styles like mambo, danzon, son montuno, guajira, guaracha, songo and chachacha. "Cuban music is rich and varied," he says. "Salsa is only a condiment, a spice, not a music. The name is an advertising gimmick to make money from the alienation of Cuban musicians. How would you feel if we called all American music from Aaron Copland to Horace Silver to Michael Jackson 'ketchup'?"

## WEATHER

Forecast for Saturday through Monday, as provided by Accu-Weather.

Europe	Today	High	Low	Tomorrow	High	Low
Algeria	22/21	18/18	15/15	20/19	17/17	14/14
Amsterdam	15/15	11/11	7/7	17/16	12/12	8/8
Athens	25/27	22/22	18/18	24/25	21/21	17/17
Berlin	21/21	18/18	14/14	20/20	17/17	13/13
Bombay	27/28	24/24	20/20	26/27	23/23	19/19
Buenos Aires	15/15	9/9	5/5	16/16	10/10	6/6
Buenos Aires	20/20	16/16	12/12	19/19	15/15	11/11
Calcutta	28/29	25/25	21/21	27/28	24/24	20/20
Caracas	24/24	20/20	16/16	23/23	19/19	15/15
Chennai	27/28	24/24	20/20	26/27	23/23	19/19
Dublin	17/17	14/14	10/10	18/18	15/15	11/11
Edinburgh	14/14	11/11	7/7	15/15	12/12	8/8
Geneva	16/16	13/13	9/9	17/17	14/14	10/10
Helsinki	14/14	11/11	7/7	15/15	12/12	8/8
London	16/16	13/13	9/9	17/17	14/14	10/10
Los Angeles	24/25	21/21	17/17	23/24	20/20	16/16
Madrid	25/26	22/22	18/18	24/25	21/21	17/17
Moscow	18/18	15/15	11/11	17/17	14/14	10/10
Mumbai	27/28	24/24	20/20	26/27	23/23	19/19
New Delhi	28/29	25/25	21/21	27/28	24/24	20/20
Paris	16/16	13/13	9/9	17/17	14/14	10/10
Rangoon	27/28	24/24	20/20	26/27	23/23	19/19
Rio de Janeiro	24/24	20/20	16/16	23/23	19/19	15/15
Sao Paulo	24/24	20/20	16/16	23/23	19/19	15/15
Seoul	24/24	20/20	16/16	23/23	19/19	15/15
Shanghai	24/24	20/20	16/16	23/23	19/19	15/15
Singapore	27/28	24/24	20/20	26/27	23/23	19/19
Taipei	27/28	24/24	20/20	26/27	23/23	19/19
Tokyo	22/23	19/19	15/15	21/22	18/18	14/14



**North America**  
High humidity will give rise to a few weekend thunderstorms in New York and Washington, D.C., while Toronto and Chicago have numerous showers and thunderstorms. Dry weather will encompass the Plains by the start of the new week. Los Angeles will be warm and dry.

Middle East	Today	High	Low	Tomorrow	High	Low
Abu Dhabi	38/39	35/35	31/31	40/41	37/37	33/33
Bahia	28/29	25/25	21/21	27/28	24/24	20/20
Bombay	27/28	24/24	20/20	26/27	23/23	19/19
Buenos Aires	24/24	20/20	16/16	23/23	19/19	15/15
Calcutta	27/28	24/24	20/20	26/27	23/23	19/19
Caracas	24/24	20/20	16/16	23/23	19/19	15/15
Chennai	27/28	24/24	20/20	26/27	23/23	19/19
Dublin	17/17	14/14	10/10	18/18	15/15	11/11
Edinburgh	14/14	11/11	7/7	15/15	12/12	8/8
Geneva	16/16	13/13	9/9	17/17	14/14	10/10
Helsinki	14/14	11/11	7/7	15/15	12/12	8/8
London	16/16	13/13	9/9	17/17	14/14	10/10
Los Angeles	24/25	21/21	17/17	23/24	20/20	16/16
Madrid	25/26	22/22	18/18	24/25	21/21	17/17
Moscow	18/18	15/15	11/11	17/17	14/14	10/10
Mumbai	27/28	24/24	20/20	26/27	23/23	19/19
New Delhi	28/29	25/25	21/21	27/28	24/24	20/20
Paris	16/16	13/13	9/9	17/17	14/14	10/10
Rangoon	27/28	24/24	20/20	26/27	23/23	19/19
Rio de Janeiro	24/24	20/20	16/16	23/23	19/19	15/15
Sao Paulo	24/24	20/20	16/16	23/23	19/19	15/15
Seoul	24/24	20/20	16/16	23/23	19/19	15/15
Shanghai	24/24	20/20	16/16	23/23	19/19	15/15
Singapore	27/28	24/24	20/20	26/27	23/23	19/19
Taipei	27/28	24/24	20/20	26/27	23/23	19/19
Tokyo	22/23	19/19	15/15	21/22	18/18	14/14

Legend: sunny, partly cloudy, cloudy, showers, thunderstorms, rain, snow, snow flurries, snow, sleet, hail. All maps, forecasts and data provided by Accu-Weather, Inc. © 1995

Asia

Asia	Today	High	Low	Tomorrow	High	Low
Bangkok	34/35	31/31	27/27	33/34	30/30	26/26
Bombay	27/28	24/24	20/20	26/27	23/23	19/19
Buenos Aires	24/24	20/20	16/16	23/23	19/19	15/15
Calcutta	27/28	24/24	20/20	26/27	23/23	19/19
Caracas	24/24	20/20	16/16	23/23	19/19	15/15
Chennai	27/28	24/24	20/20	26/27	23/23	19/19
Dublin	17/17	14/14	10/10	18/18	15/15	11/11
Edinburgh	14/14	11/11	7/7	15/15	12/12	8/8
Geneva	16/16	13/13	9/9	17/17	14/14	10/10
Helsinki	14/14	11/11	7/7	15/15	12/12	8/8
London	16/16	13/13	9/9	17/17	14/14	10/10
Los Angeles	24/25	21/21	17/17	23/24	20/20	16/16
Madrid	25/26	22/22	18/18	24/25	21/21	17/17
Moscow	18/18	15/15	11/11	17/17	14/14	10/10
Mumbai	27/28	24/24	20/20	26/27	23/23	19/19
New Delhi	28/29	25/25	21/21	27/28	24/24	20/20
Paris	16/16	13/13	9/9	17/17	14/14	10/10
Rangoon	27/28	24/24	20/20	26/27	23/23	19/19
Rio de Janeiro	24/24	20/20	16/16	23/23	19/19	15/15
Sao Paulo	24/24	20/20	16/16	23/23	19/19	15/15
Seoul	24/24	20/20	16/16	23/23	19/19	15/15
Shanghai	24/24	20/20	16/16	23/23	19/19	15/15
Singapore	27/28	24/24	20/20	26/27	23/23	19/19
Taipei	27/28	24/24	20/20	26/27	23/23	19/19
Tokyo	22/23	19/19	15/15	21/22	18/18	14/14

**Asia**  
Tokyo and Osaka will have bouts of rain, some heavy. Showers will dampen Seoul and Pusan, while generally dry weather is expected in Beijing and Shanghai. Intermittent showers and thunderstorms are slated for Taiwan and Hong Kong. Singapore will be hot and humid with a spray of rain.

South America	Today	High	Low	Tomorrow	High	Low
Buenos Aires	24/24	20/20	16/16	23/23	19/19	15/15
Caracas	24/24	20/20	16/16	23/23	19/19	15/15
Chennai	27/28	24/24	20/20	26/27	23/23	19/19
Dublin	17/17	14/14	10/10	18/18	15/15	11/11
Edinburgh	14/14	11/11	7/7	15/15	12/12	8/8
Geneva	16/16	13/13	9/9	17/17	14/14	10/10
Helsinki	14/14	11/11	7/7	15/15	12/12	8/8
London	16/16	13/13	9/9	17/17	14/14	10/10
Los Angeles	24/25	21/21	17/17	23/24	20/20	16/16
Madrid	25/26	22/22	18/18	24/25	21/21	17/17
Moscow	18/18	15/15	11/11	17/17	14/14	10/10
Mumbai	27/28	24/24	20/20	26/27	23/23	19/19
New Delhi	28/29	25/25	21/21	27/28	24/24	20/20
Paris	16/16	13/13	9/9	17/17	14/14	10/10
Rangoon	27/28	24/24	20/20	26/27	23/23	19/19
Rio de Janeiro	24/24	20/20	16/16	23/23	19/19	15/15
Sao Paulo	24/24	20/20	16/16	23/23	19/19	15/15
Seoul	24/24	20/20	16/16	23/23	19/19	15/15
Shanghai	24/24	20/20	16/16	23/23	19/19	15/15
Singapore	27/28	24/24	20/20	26/27	23/23	19/19
Taipei	27/28	24/24	20/20	26/27	23/23	19/19
Tokyo	22/23	19/19	15/15	21/22	18/18	14/14

Denver	23/73	6/46	c	23/73	8/46	p
Detroit	23/73	17/62	c	23/70	16/81	n
Honolulu	24/84	32/71	c	30/88	23/73	p
Houston	34/83	24/75	pc	34/83	24/75	p
Los Angeles	24/75	25/55	c	24/75	15/81	p
Miami	33/91	25/77	pc	33/91	25/77	p
Minneapolis	18/64	13/56	pc	19/66	9/48	n
Montreal	21/70	6/43	c	21/70	4/39	p
Nassau	32/89	27/75	pc	32/89	24/75	p
New York	32/89	17/62	pc	27/80	18/72	p
Phoenix	34/93	21/70	pc	39/102	24/75	p
San Fran	19/66	12/53	pc	21/70	14/67	p
Seattle	24/75	12/63	pc	19/66	12/53	p
Toronto	22/71	11/62	pc	22/71	13/65	p
Washington	28/82	19/66	ph	29/84	20/68	n